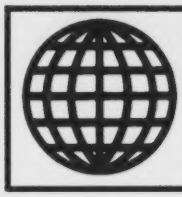

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Gerasimov 13 Jun Briefing on World Issues

Shevardnadze To Visit Japan

LD1306131790 Moscow TASS in English 1300 GMT 13 Jun 90

[By TASS correspondents Mikhail Ivanov and Leonid Timofeyev]

[Text] Moscow June 13 TASS—In accordance with an earlier arrangement, Soviet Foreign Minister Eduard Shevardnadze will visit Japan early in September, Soviet Foreign Ministry spokesman Gennadiy Gerasimov told a briefing here today. He said Soviet Ambassador to Tokyo Nikolay Solovyov had informed the Japanese Foreign Ministry of this.

Gerasimov said that the planned visit of the Soviet foreign minister to Tokyo would promote the widening of a political dialogue between the USSR and Japan.

Gerasimov said that Soviet Deputy Foreign Minister Valentin Nikiforov met a group of Japanese diplomats at the Soviet Foreign Ministry on Tuesday. It is the first visit of Japanese diplomats to the Soviet Union in accordance with an agreement on exchanges between the Soviet and Japanese foreign ministries.

Gerasimov said that new forms of interaction in the interests of the development of Soviet-Japanese relations were discussed during the meeting.

"This was a reply visit of Japanese diplomats," Gerasimov said. A group of Soviet diplomats visited Japan in September 1989 at the invitation of the Japanese Foreign Ministry.

On Chemical Disarmament Talks

LD1306132690 Moscow TASS in English 1311 GMT 13 Jun 90

[By TASS correspondents Mikhail Ivanov and Leonid Timofeyev]

[Text] Moscow June 13 TASS—It is hoped in the Soviet Union that the agreement Soviet President Mikhail Gorbachev and U.S. President George Bush signed in Washington on June 1 will give an impetus to multilateral talks on chemical disarmament, Soviet Foreign Ministry spokesman Gennadiy Gerasimov told a briefing here today. Under the agreement both sides assume the commitment not to manufacture chemical weapons and to reduce their stockpiles by over 80 per cent.

With regard to the summer session of the conference on disarmament that started in Geneva, Gerasimov quoted head of the Soviet delegation Sergey Batsanov as saying that the interests of global security and stability demand that the conference should work effectively not only in the area of chemical disarmament, but also on other directions of arms limitation.

Dutch Foreign Minister To Visit

LD1306135890 Moscow TASS in English 1347 GMT 13 Jun 90

[Correspondents report from the Soviet Foreign Ministry Press Center]

[Text] Moscow June 13 TASS—Soviet Foreign Ministry spokesman Gennadiy Gerasimov said at a briefing here today that agreement had been reached at a meeting of the Soviet and Dutch foreign ministers in Copenhagen on June 5, that Dutch Foreign Minister Hans van den Broek would pay a short working visit to the Soviet Union.

At present practical aspects of the visit are being coordinated, Gerasimov added.

Emigration Figures Cited

LD1306140390 Moscow TASS in English 1348 GMT 13 Jun 90

[By TASS correspondents Mikhail Ivanov and Leonid Timofeyev]

[Text] Moscow June 13 TASS—"The 'refusniks' problem, which for many years was a pretext for accusing the USSR of human rights violations, is now practically non-existent", Soviet Foreign Ministry spokesman Gennadiy Gerasimov said at a briefing here today. He cited some statistics characterising emigration from the Soviet Union.

According to Gerasimov, 108,000 Soviet citizens left the USSR permanently in 1988. Only 0.7 per cent of them were refused permission to leave, mostly because of their knowledge of state secrets. In 1989, 235,400 people were given permission to take up permanent residence abroad, including 105,500 who wished to leave for Israel, 98,200 to West Germany and 14,000 to the United States. The U.S. secretary of state said in the U.S. Senate on Tuesday [12 June] that the United States would not increase the immigration quota for Soviet Jews, Gerasimov pointed out. The Soviet Foreign Ministry spokesman told journalists that 85 per cent of those leaving for the U.S. last year were Armenians, repatriates in the past.

Only some 100 emigrants filed a personal application to the Presidium of the USSR Supreme Soviet, renouncing their Soviet citizenship, Gerasimov said.

On Tactical Nuclear Weapons

LD1306175290 Moscow TASS in English 1726 GMT 13 Jun 90

[By TASS correspondents Mikhail Ivanov and Leonid Timofeyev, from the USSR Foreign Ministry Press Center]

[Text] Moscow June 13 TASS—Soviet Foreign Ministry spokesman Gennadiy Gerasimov delivered explanations on the Soviet Union's unilateral decision to reduce tactical nuclear weapons in Europe at a briefing here today.

He recalled that the Soviet Union had taken major unilateral steps in this field last year by withdrawing 500 nuclear warheads from the territories of its allies. In addition, the Soviet Union did not modernise its tactical nuclear missiles in the years 1989-1990.

"In July 1989, Soviet leader Mikhail Gorbachev declared in Strasbourg about the Soviet Union's intention to undertake further cuts in tactical nuclear missiles in Europe, if it was obvious that NATO countries were ready to negotiate this issue. At the recent Soviet-American summit the Soviet Union suggested that such talks begin already this autumn," Gerasimov said.

In order to create favourable conditions for such talks, the Soviet Union decided to further reduce its tactical nuclear weapons in Europe. The decision should be regarded as practical implementation of Gorbachev's Strasbourg statement (the Soviet Union's intentions were declared by Soviet Foreign Minister Eduard Shevardnadze at the opening of the second meeting of the Conference of Human Dimension in Copenhagen).

"Specifically," Gerasimov went on to say, "the Soviet Union is planning to reduce 60 launchers of tactial missiles (whose range is shorter than of missiles being eliminated under the INF treaty) in central Europe—the German Democratic Republic, Czechoslovakia, Hungary and Poland—before the end of this year," Gerasimov said.

"Besides," he went on to say, "more than 250 units of artillery weapons capable of using nuclear ammunition will be removed from Central Europe. In the Soviet Union such weapons include heavy artillery guns with a calibre of 152 millimeters and more. Finally, 1,500 nuclear warheads, including the warheads of the missiles being cut, nuclear artillery shells and nuclear air bombs, will be withdrawn from this zone. [no end quotation mark as received]

Gerasimov emphasized that the Soviet Union was planning to extend its unilateral reductions beyond the boundaries of Central Europe: A total of 140 tactical [as received] missile launchers and 3,200 artillery weapons, capable of using nuclear ammunition, will be eliminated in Europe by the end of this year.

These measures will be taken by the Soviet Union unilaterally without any preliminary conditions. "We believe that they create favourable conditions for the forthcoming talks on tactical nuclear missiles," Gerasimov said.

He also recalled that the Soviet Union also suggested eliminating tactical nuclear weapons, including a nuclear component for dual purpose means, as well as planes capable of carrying nuclear weapons.

Weapons Reductions Detailed

LD1306195490 Moscow Domestic Service in Russian 1500 GMT 13 Jun 90

[Excerpt] At the USSR foreign press center in Moscow today, a briefing on current questions of international policy was held for Soviet and foreign journalists. It was conducted by Gennadiy Gerasimov, head of the Information Directorate of the USSR Foreign Ministry. In connection with the numerous questions from journalists as to what lies behind the USSR's announcement of its readiness to unilaterally reduce its tactical nuclear weapons in Europe, he said:

[Begin Gerasimov recording] In central Europe—i.e., on the territory of the GDR, Poland, the CSFR, and Hungary—by the end of this year the USSR will cut 60 tactical missile launch pads whose range is lower than those being liquidated under the INF treaty with the United States. In the USSR the missiles affected are the R-17, known in the west as Scud-B, with a range of 300 km; the Tochka missile, known in the West as SS-21, range 70 km; and the Luna, range also 70 km. Besides, more than 250 units of artillery weapons capable of using nuclear ammunition will be removed from central Europe. [end recording]

On Demobilization in Nicaragua

LD1306180190 Moscow TASS in English 1734 GMT 13 Jun 90

[By TASS correspondents Mikhail Ivanov and Leonid Timofeyev]

[Text] Moscow June 13 TASS—The UN Security Council resolution to extend the functions of the United Nations group in Central America (ONUCA) till June 29 was prompted by the fact that the demobilisation of the contras in Nicaragua had not been completed on schedule, Soviet Foreign Ministry spokesman Gennadiy Gerasimov told a briefing here today.

The United Nations group in Central America is monitoring the ceasefire and disengagement in Nicaragua, and also the demobilisation of members of the Nicaraguan resistance that was to have been completed by June 10 under an agreement between the Nicaraguan Government and the armed opposition.

Gerasimov said that the decision of the UN Security Council would contribute to the final solution of one of the most complicated problems of the political settlement in Central America.

He expressed the hope that the armed opposition leaders would display the necessary realism and readiness to make an effective contribution to normalising the situation in Nicaragua, and would strictly observe their demobilisation commitments.

Gorbachev Speaks on German Unification

LD1206225390 Moscow in English to Great Britain and Ireland 1900 GMT 12 Jun 90

[Excerpts] [Announcer] President Mikhail Gorbachev has addressed the two houses of [the] Soviet parliament, briefing the deputies on the results of the summit meeting with his American counterpart President

George Bush, the British Prime Minister Mrs. Margaret Thatcher, and the Canadian Premier Brian Mulroney. One of the key points of his speech was German unification, (?a) process on which no concrete agreement has been reached so far between the USSR and other participants in the two-plus-four talks formula. Our observer Peter Vasilyev has the details.

[Vasilyev] Of course the issue of united Germany, the process which started in an Anschluss and slowed down due to a number of unresolved problems, poses quite a few questions still to be decided, among them a united Germany's intended membership in NATO.

President Gorbachev, in [an] attempt to move out of a dead alley, has said such a membership could be accepted once NATO, like the Warsaw Treaty Organization, agrees upon changes in its military doctrine and structure, becoming a purely political body. Gen. Geliy Batenin believes that within the CSCE process—that is the all-European process—the two blocs should transform and penetrate into each other's structures. In such circumstances there will be no objections to united Germany's membership in NATO.

[Begin Batenin recording in Russian with superimposed English translation] Posing as guarantors of the process, they should safeguard the all-European security. Thus it's of the secondary importance to each of them a united Germany belongs. Both should have vertical and horizontal connections and ties. Both should carry out similar duties and exercise similar methods while solving one and the same task of ensuring European security. What's more important here is that these modified bodies posing as guarantors of the old European security could serve as a test ground for a would-be pan-European integrated security system, said Gen. Geliy Batenin. [end recording]

[Vasilyev] It's only logical that prior to this move we confirm or sign a document which will confirm all postwar agreements regulating European order, its territorial integrity and boundaries, the non-use of force, and the like. At the same time the four wartime victorious Allies—the USSR, the United States of America, France, and Great Britain—should set their powers and duties (?with a) broader European forum, the Conference on Security and Cooperation in Europe. (?Another) important aspect of German unification which we cannot sidestep is a transitional period. As expected, it will last up to several years and should gradually lead us to a stage when all political, military, social, cultural, and other changes in Europe become logically integrated in the complex of the all-European process. Gen. Geliy Batenin once again.

[Begin Batenin recording in Russian with superimposed English translation] The transitional period, says the general, is the most dangerous one. Moreover it's fraught with instability. Gen. Geliy Batenin thinks the status quo must be observed during this time. No one questions the right of (?a) united Germany to chose its security system and its membership when it comes to security matters. Neutrality is out of the question here. One of the main European states cannot slip out of the political life of the continent. The question is what should be done to the armed forces of the two Germanys. Gen. Batenin believes the transitional period should keep the same military divide as we have at present where the two armies, one of the West Germany being part of NATO and the other of the former German Democratic Republic remaining for the time being part of the Warsaw Treaty Organization. But the latter should undergo drastic cuts and transformations to become something like national guards with purely national security functions. At the same time the Bundeswehr should undertake certain changes too, first of all in its strategy, doctrine, and tactics. Gen. Geliy Batenin believes the leaders of the NATO countries would agree to such a compromise solution. He found it real.

[Passage omitted: anonymous NATO spokesman in Brussels, on the phone, says NATO's position remains that Germany should remain part of NATO, notes the negotiations going on, willingness to talk]

I absolutely agree that we need a mutually acceptable solution which meets everybody's interests, but what I'd like to stress is the search for it should be mutual. Efforts should be joint as well as concessions on compromise issues. [end recording]

Attitudes on 'German Puzzle' Discussed

PM1206140690 Moscow NEW TIMES in English No 22, 29 May-4 Jun 90 pp 16-17

[Article by Dmitriy Pogorzhelskiy: "The German Puzzle"]

[Text] [passage omitted] The fatal question arises once again: What about the military-political status of a united Germany? Will it be a NATO member or won't it?

I believe this discussion is increasingly growing scholastic.

In fact the G.D.R. will be engulfed by West Germany and the unified state will de facto become a NATO member. There is every indication that all-German elections will take place not later than the beginning of 1991, putting the situation in order and crowning Helmut Kohl with the laurel wreath of the "Architect of German unity."

Naturally, the West cannot ignore Moscow's explicitly negative attitude to the German membership in the North Atlantic alliance. Most likely, the participants of the 2 + 4 meeting in July will agree to the compromise formula suggested by Hans-Dietrich Genscher—NATO contingents, which will have been reduced by that time, will remain in what was West Germany, while Soviet troops will remain in t the former G.D.R. for a certain period of time (for more details see NT No 18). There have been suggestions that the Soviet troops will stay in

the east of Germany for 7 more years. This situation seems absurd and paradoxical, but it highlights how outdated the bloc mentality has grown. At the same time this situation will be an incentive for a search of possible solutions and compromise decisions.

This situation can only be solved with the help of two parallel processes—the transformation of military-political blocs and the establishment of all-European security structures. The latter process is very complicated and will require much time and great efforts. So far, however, it appears the only possible and reasonable way—as all those who try to solve the German puzzle seem to agree.

As for the transformation of the two blocs, it is already under way—both in the East and the West. The reduction and complete withdrawal in the upcoming months of the Soviet troops from Hungary and Czechoslovakia is in fact an important change of the Warsaw Treaty. Having lost its party core, the Warsaw Treaty is losing its purely military character, increasingly becoming a symbol.

NATO is cemented by much stronger bonds, traditions and interests. But changes are going on inside NATO too, although they are practically ignored in Moscow. Meanwhile, the meeting of defence ministers of NATO, which took place in Canada in the middle of May this year, demonstrated that NATO planned to reduce its armed forces and armaments and would radically reconsider its strategy within a year's time taking into account the new tendencies in Europe. The recent statement by George Bush that America will not modernize its tactical nukes in Western Europe, the U.S. preparedness to start discussing the elimination of these weapon systems is both an indication and a result of the changes within NATO.

I even believe that in the near future the very presence of U.S. troops in Western Europe may be questioned, provided of course, nothing unexpected happens. The governments will have it difficult to explain to the taxpayers why they should pay for the maintenance of U.S. troops in the absence of "the threat from the East."

This viewpoint is confirmed by the opinion of many Western experts in the field of international security.

Stereotypes and Reality

Germany's joining the North Atlantic Alliance, in my opinion, will not create a new military-political threat for the Soviet Union contrary to the fears of mostly old people in this country. For us this problem is largely a psychological one: on the one hand, there is the historical memory of our people, on the other—the inertia of the military-bloc mentality and the stereotypes which have been planted in the public awareness not without the help of journalists. Some people continue to see NATO as a gigantic monster threatening the security of the Soviet Union. The chief role in NATO is performed by Washington, while the rest of the members are nothing but obedient servants. Bonn is Washington's sword in Europe. We never mentioned the fact that NATO is an alliance of sovereign civilized and democratic nations. The political structure of NATO includes a reliable decision-making system which rules out possibilities of "voluntarism and arbitrariness of the military."

The stereotypes connected with the word "Germany" are strong too and evoke the horrible memories of WW2. All over the postwar years the Germans have been carrying the stigma of collective responsibility as if fascism and aggression were part of the nation's genetic code. But the people are not responsible for the crimes committed by ruling regimes and one cannot say that the Germans are inherently militant. Nonetheless the feeling of collective responsibility developed in the West Germans special immunity to totalitarianism of all kinds. That is what the Western powers wanted to achieve in the occupation zones in the F.R.G.—to establish there strong democratic institutions which would rule out any return of the past.

Uwe Ronneburger, an FDP leader, said in this connection: "We Germans have learned what Nazism brought to Germany and the neighbouring countries. That is why we shall never forget the years from 1933 to 1945. We are grateful for each and every step we have taken to enter the community of civilized nations. We will remain patriots but we will be good Europeans, not only from Brest to Brest, but in a broader context too."

I still can feel that West Germans are Europeans more than any other European nation. It is not fortuitous that Bonn so often speaks of "European patriotism," it is not fortuitous that West Germany today is leading the process of European integration, which requires rejection of the concept of national states and acceptance of the radically new concept of a supranational alliance. This became possible because West German society has consigned the "nation-state" stage to the past. That's why thinking in West Germany is determined by the categories which remain beyond the understanding of the Soviet public overwhelmed by urgent domestic problems.

...One American historian speaking on the German question said:

"The Germans are thinking about the future while their neighbours are busy remembering the past."

Impact of German Unity on Soviet Trade Viewed

PM1306141890 Moscow NEW TIMES in English No 23, 5-11 Jun 90 pp 12-13

[Article by Candidate of Economic Sciences Aleksey Kireyev: "What's the Price of a West German Mark?"]

[Text] What, in the light of the G.D.R.-F.R.G. union, are the prospects for cooperation within the framework of the CMEA as a whole and between the U.S.S.R. and the G.D.R. in particular? One cannot simply disregard the fact that the U.S.S.R.-G.D.R. axis has for many years been the backbone of socialist economic integration, and that more than 140 agreements on mutual deliveries have been signed between the two countries, or that two

fifths of the G.D.R.'s foreign trade falls to the U.S.S.R.; and, finally, that the G.D.R. is our biggest middleman in relations with the East European countries.

Last February, when Chancellor Kohl visited the Soviet Union, he gave assurances that the F.R.G. was prepared to assume deliveries in keeping with the G.D.R. contracts. The real value of this political declaration can be assessed only after an inventory is made of the entire Soviet-German trade turnover and it is recalculated in world prices in convertible currency.

Many Western businessmen, however, already view Chancellor Kohl's promises with scepticism, because as a result of the monetary union, many enterprises that cooperate with Soviet organizations will simply disappear. Others, in which West German industrialists will invest their capital, will be unable to fulfil their earlier commitments, since their new masters won't be interested in the G.D.R.'s treaty obligations.

On the other hand, it is clear that the monetary union offers West German businessmen a unique opportunity for intensifying their activities on our market and gives Soviet organizations the chance of getting a foothold in the F.R.G. market, with East German enterprises playing the part of the link between East and West Europe pocketing its share of the profits.

The consequences of a German monetary union for Soviet foreign trade are clearly being underestimated in this country. While arguing over whether a united Germany should be a member of NATO, we overlook the fact that the situation in all East-West economic relations will change drastically. The refusal of the new masters of GDR enterprises to deliver to the U.S.S.R. components under previous agreements could paralyze a hefty section of the Soviet economy. The F.R.G. as one of the leading importers of fuel and raw materials could influence substantially the price formation mechanism on raw materials exported from the U.S.S.R., bring down the prices or turn over the orders to companies of other countries, which would lead to a deterioration in the effectivity of Soviet foreign trade.

I see several ways out of the situation. First, in keeping with the "2 plus 4" formula, the Soviet Union has the right to demand that the present leadership of the G.D.R. provide firm guarantees that agreements concluded in the past would be kept to. Of course, it is necessary at the same time to analyze the issues of legal continuity of agreements, both at the level of states and at the level of enterprises, the legal basis for the transfer of treaty obligations from one owner to another, and the possibility of West Germany confirming the G.D.R.'s obligations. Secondly, one could put forward the proposal for a legally binding mechanism being set up in the F.R.G. for stimulating exports to the U.S.S.R. of the goods that are most vital to the Soviet economy. Such a mechanism should be financed from the budget and should operate for several years until the G.D.R. economy raises its efficiency. The Soviet Union, for its part, could during this period either extend its own production or shift its orders to other sources.

Finally, the prospects for tripartite projects look very promising. They would involve Soviet research and development, West German technology and the highly skilled East German labour force.

I believe that the Soviet Union has the moral and historical right to uphold its financial and economic interests in the process of Germany's reunification. Today we cannot expect Soviet exports to the G.D.R. to remain at their former level, or that we shall receive for them not "transferrable rubles," as in the past, but freely convertible West German marks. That would be a dangerous illusion, and if we let ourselves be taken in by it, we could miss the moment when the energy consumption by industries will be sharply reduced in the G.D.R. Then we shall lose not only a major buyer of our raw materials, but will find ourselves forced to continue to buy in the G.D.R. spare parts for the machine tools it supplied us in the past, and will have to pay for them in hard currency.

So what at a first glance seems a purely internal German problem—the formation of a monetary union—takes on a new aspect entirely.

Lack of Response to USSR Initiatives Seen

WA1306185290 Moscow RABOCHAYA TRIBUNA in Russian 12 Jun 90 pp 1, 3

[Interview with USSR People's Deputy Oleg Baklanov, CPSU Central Committee secretary, by RABOCHAYA TRIBUNA correspondent Vladimir Ostrovskiy; place and date not specified: "The Only Free Cheese Is in a Mousetrap"]

[Text] I asked Oleg Dmitriyevich Baklanov who is responsible for the defense industry and, therefore, for maintaining Soviet security within the assigned parameters: "Are you happy with all aspects of developments regarding our foreign policy decisions in the international arena?"

[Baklanov] I am concerned about what I see as sort of getting ahead of ourselves in a number of foreign policy initiatives. They are correct in and of themselves; however, I perceive them as premature given the existing situation in the world arena. Let me explain my position. To my mind, we sometimes mistake our own correct ideas for accomplished facts. They are indeed new in principle, but they do not necessarily encounter in return a response from our partners in the West. What do I mean? A new political thinking which we offered to the world will not by itself blaze a trail to reason, including that of some politicians. Despite the fact that nobody is rejecting it flatly, and they in the West are applauding us, quite a few things proposed by us are not encountering a positive response, in particular in the North Atlantic alliance.

To be sure, a majority of the people on our planet sincerely welcome the liberation of our society from ideological blinders, and not just our society. Abandoning the "enemy image" of the past which fed mutual suspicions for decades is in line with the expectations of the peoples. Perhaps a road toward a radical transformation of the world and turning an opportunity to survive into the progress of humanity has opened up for our civilization for the first time. Quite understandably this gives the people hope.

However the course proclaimed by us, "from mutual understanding through cooperation to interaction," has already run into a diplomatically erected obstacle. In the West they know how to create a wall of cotton wool in which valuable and bold initiatives literally get stuck. Naturally, this can only be regrettable. There are historical and strategic explanations for this.

However, reality is still such that the Warsaw Treaty is fundamentally changing its essence, becoming a political rather than a military organization. Some Western newspapers are calling this the disintegration of the Warsaw Treaty Organization. A declaration recently adopted in Moscow provided a pretext for this. It left no doubt that participants in the conference of the Political Consultative Committee, the supreme representatives of the member-states of the alliance, come out in favor of creating a new all-European security system and of a united Europe of peace and cooperation. What is noteworthy? We also got to hear the speeches of many Western politicians, including the prime minister of Great Britain, from Scotland where a session of the NATO Council was held during these days, but we did not get to hear specific proposals in return. To be sure, nice words were said about us. However, as you apparently remember, such words about Moscow were also previously said in the West. We were eagerly encouraged and prompted to take unilateral steps in the area of disarmament and reducing the strength of our troops. Meanwhile, they reinforced their military alliance in every way possible, retaining their previous doctrine and foreign policy positions.

In a word, our Western partners would like to proceed only from the premises favorable to them and recognize our concerns and interests only verbally, without responding to them by means of specific reciprocal steps in the relevant spheres of their foreign policy and arms control. In this regard I would like to note that there are people in our country who believe that, if the Soviet Union disarms unilaterally, NATO will be overwhelmed by this step and will dissolve itself in response. However, this is a profound misconception.

[Ostrovskiy] Oleg Dmitriyevich, let me ask a question on prospects for setting up the structures of all-European security, but from the following angle. Could it be that you are one of the people who do not believe that this is possible? Could it be that you consider premature the statements of the declaration which you have just referred to on the elements of confrontation contained in the documents of the Warsaw Treaty Organization and NATO for the past years are no longer in line with the spirit of the times? East European countries are offering NATO constructive cooperation in the interest of European stability and disarmament, confidence building, and the assertion of the principle of defensive sufficiency. Can the Western side really avoid these proposals in the new situation which has now evolved in the world?

[Baklanov] I will say right away that I admit the possibility of such a turn of events. I do not rule out the possibility of NATO evading radical response steps for its part. At the same time, I am convinced that the creation of new structures of all-European security is realistic. There is just no other way for humanity. However, I would also like to warn you against going to the extreme and becoming like a wood-grouse in a mating place who only hears himself and does not see the hunter sneaking up on him. This position threatens us with considerable disappointment, not to say more.

Member-countries of the Warsaw Treaty Organization have actually switched to the actual transformation of their alliance into a political one, whereas our Western partners are merely proclaiming their intentions, retaining their old positions for the time being. So far nobody in NATO has given up the defense of the forward area, the strategy of flexible response, the modernization of nuclear weapons, and the augmentation of NATO forces due to the inclusion of a united Germany in it.

As I see it, this correlation of positions has neither the congruity of approaches nor the hope for mutual confidence that we would like to assert in relations between the states. Please note that NATO rather than us is the source of the lack of confidence, despite us withdrawing our troops from Central Europe and unilaterally reducing their strength. In a word, we are leaving while NATO is staying; as far as I can judge, it is becoming stronger in the process.

[Ostrovskiy] Let me add to this some other arguments. Despite the declaration of the NATO Council session (in Scotland) that this alliance is holding out to us the hand of friendship and cooperation, U.S. plans exist to deploy new nuclear "air-to-ground" extended-range missiles on the territories of Great Britain, the FRG, Italy, Belgium, and other member-countries of NATO. Plans for the deployment of cruise missiles with nuclear warheads on ships and submarines for the destruction of ground targets by the navies of the bloc have already been coordinated. It is no accident that the United States refuses to negotiate with us about reducing the navy and eliminating the tactical nuclear forces of the fleets. It is disadvantageous for them. It is exactly the U.S. Navy that is ahead of us by a factor of seven in the number of aircraft-carrying ships and aircraft carriers, and in the number of ships carrying cruise missiles by a factor of more than ten. Understandably, given this ratio, the NATO headquarters and politicians of these countries can hardly be expected to alter radically the activities of this alliance.

[Baklanov] I am not going to inventory the decisions of NATO or else we may fail to see the forest for the trees. However, the trend is quite clear. I believe that we should just stop, look around, and comprehend the array of forces which has evolved by now in, say, Europe. So far it has not been evolving in favor of parity. Quite the opposite, everything is leading to the balance of forces being upset, and not by us. Judging by many signs, including those commonly known, NATO is using the new situation existing on the continent for self-interested purposes. An imbalance of forces is developing. I will recall that USSR President M.S. Gorbachev stated recently that in this case we should see what to do about the Vienna disarmament process, whether it should be continued or not? If it is to be continued, should it be on the same principles and the same approaches as at present or on different ones? Raising the issue in this manner is quite legitimate. He said that it is logical if we engage in real politics. I fully share this position of his. It is realistic.

I will say more. There is an English proverb to the effect that the only free cheese is in a mousetrap, said O. Baklanov in summation.

Fourth Round of CEMA-EC Talks Opens

LD1206074390 Moscow TASS in English 0657 GMT 12 Jun 90

[By TASS correspondent Georg Mikhailin]

[Text] Moscow June 12 TASS—During negotiations between the Council for Mutual Economic Assistance (CMEA) and the European Community (EC) that opened here today, representatives of the two sides will explore ways to pool the environmental protection efforts of the two organisations.

This is the fourth meeting of experts of the council's secretariat and the commission of the European communities since the establishment of official relations between the two organisations in June 1988.

During the negotiations, to last for two days, the sides will discuss specific forms and methods of ecological cooperation between the CMEA and EC.

At the initial stage of interaction it is intended to establish exchanges of information and later, on its basis, to take joint measures.

There might be coordination between representatives of the council and EC at various international environmentalist forums.

The sides will also outline possible cooperation in the area of statistics and standardisation. The CMEA delegation to the negotiation is headed by Stefan Zawodzinski, deputy secretary of the council. The EC delegation is headed by John Maslen, head of the department of the commission of the European Communities for trade with European countries with state monopoly on foreign trade.

Talks Termed 'Useful'

LD1306165290 Moscow TASS in English 1627 GMT 13 Jun 90

[By TASS correspondent Georg Mikhailin]

[Text] Moscow June 13 TASS—The 4th round of negotiations between the Council for Mutual Economic Assistance (CMEA) and the European Economic Community (EEC) was useful although it did not produce any tangible results.

Both sides expressed satisfaction with ongoing changes in the CMEA member countries, their impact on structural changes in the organisation and its future. Representatives of the Commission of the European Communities (CEC) received provisional information on the possible areas of reform of the CMEA. This was very valuable and interesting for the members of the EEC delegation, John Maslen, a CEC department head, told TASS. For their part CEC experts briefed their colleagues from the CMEA Secretariat on the development of relations between the Community and individual CMEA member countries since the third round of talks held in November last year. In two days of frank exchanges, the sides discussed the state and prospects for cooperation between the two organisations in statistics and ecology. The delegations expressed readiness to harmonise the statistics of foreign trade and prices for consumer goods. Council experts submitted to CEC a document laying down the conceptual approaches of relevant CMEA agencies towards the two organisations' cooperation in the protection of the environment. The council expressed interest in studying CEC experience in the field of short- and middle-term economic forecasts, CMEA deputy secretary Stefan Zawodzinski, who heads the CMEA delegation, told TASS.

Given the uncertain future status and functions of the council, the sides could not work out the specific forms and methods of cooperation in the mentioned areas and expressed readiness to raise this issue again at the next round of talks. The next round is scheduled to take place after the 46th session of the CMEA at the end of the year, which will take decisions on CMEA reform.

United States & Canada

Reportage, Commentary on Gorbachev Visit

Bush, Summit Assessed

WA0806192390 Moscow LITERATURNAYA GAZETA in Russian No 23, 6 Jun 90 p 1

[Chief Editor's Column: "Worthy Partners"]

[Text] The results of the Gorbachev and Bush meeting considerably surpass what was expected in our country and, particularly, in the United States. Such is the common opinion of the participants in the meeting, advisers, and commentators. In addition, many people believe that this has been the most productive meeting in the history of Soviet-American relations since the war. Inasmuch as I have had the opportunity, indirectly or directly, as a consultant or journalist, to observe the top-level meetings of leaders of the two powers since the end of the 1950's, I can only confirm this assessment. Readers already know about the agreements that have been reached. And I would like to call attention to the psychological aspects of the cooperation of the two leaders, on whom the tranquillity and security of virtually all people on earth depend. I was in America in the period of President Bush's election campaign and listened to his speeches and forecasts of his policy on the part of specialists. George Bush was portrayed as a stiff individual and not all that "suitable a partner" for such an active and freewheeling figure as Gorbachev. A naval pilot in the war, leader of the CIA, a moderate in the Republican Party, a cautious and even dryish diplomat—this what was said by many of my friends, congressmen, and scholars, Democrats mostly, predicting an inevitable setback in Soviet-American relations. I met with some of them on this occasion, and they repeated in unison: We were, fortunately, wrong. And I think about the giant evolution accomplished by the leaders of the two great nuclear powers in recent decades!

Paris, 1959. Khrushchev and Eisenhower hide from one another in their official residences. De Gaulle attempts to reconcile the two superpower potentates, behind whose backs was a multitude of nuclear bombs. Both Ike and Nikitushka were like strangers from different planets, who utterly failed to understand one another. Each of them saw his partner as some imperialist robber (even the terminology was similar!) who was nurturing the dream of delivering a nuclear strike against the enemy and destroying the enemy system completely.

Helsinki, 1975. Ford and Brezhnev sign the Helsinki Act. But the quantity of weapons had increased several times over. Acute mutual distrust and suspicion remained. Several years elapsed. America had barely rid itself of the shock of Vietnam, and the USSR was on the eve of the Afghan adventure. A terrible price was paid for the ideological confrontation and hegemonism: each country had stockpiled thousands of nuclear warheads, in the expectation, most likely, of exterminating not only the globe but other planets of our solar system also.

And then Geneva, 1985. Reagan came here with the firm belief that he would be meeting with representatives of the monstrous "evil empire." But there had in our country by that time already been a change of consciousness, which came to be called the new thinking. Under the impact of his meetings with Gorbachev this figure, who was no longer young, was able to accomplish a genuine leap forward in his views. This made it possible for the first important steps to be taken both in Reykjavik and Washington.

We had all been waiting for almost a year for a meeting between Gorbachev and George Bush. We were thinking: Why are the Americans dragging their feet, can it be that the up-and-down development of our relations will once again sink to the bottom of the scale? But we misunderstood the new President. We misunderstood his style and the fact that it was not a third Reagan administration but the first Bush administration. This style is distinguished by less haste, but more sureness, less affection, but greater efficiency, firm defense of his country's national interests, and an understanding of the state interests of his partner. The style of the presidents of our two countries is distinguished by openness and inner warmth. Times have changed, the mentality of our leaders has changed also.

Of course, there is a big temptation with us to attribute the success of the meeting exclusively to the personal diplomacy of Gorbachev, who has in five years acquired unique experience of negotiations with leaders of the Western world. This is all the more easily done because the elite of American learning and culture—I met among them acquaintances of mine of long standing, the historian A. Schlesinger and the economist J. Galbraith, and many senators—have evaluated highly and sincerely the contribution of the leader of our country to the change in the appearance of the modern world. In response to this Gorbachev observed even: So I hear, and it seems to me that all this is being said about someone else.... But let us give the U.S. President his due also. I personally was surprised and gratified by three decisions, in which Bush displayed great courage and responsibility.

The first is the trade agreement. I have already written in LITERATURNAYA GAZETA on the mood among American senators and congressmen. Very many of them were advocating linkage of this agreement with the Lithuanian problem and the law on departure from and entry into the USSR. Bush signed this agreement, stipulating, it is true, that it could be ratified in the event of the above- mentioned law being approved in the USSR Supreme Soviet.

Second, the evaluation of perestroyka. The U.S. President did not yield to the advice to avail himself of the difficulties of the period which we are experiencing and put pressure on Gorbachev. The "Yeltsin factor" came to nothing at the negotiations. Nor did Bush accept the proposal that he assist the "disintegration of the USSR" to weaken its power. The opposite opinion makes a far more serious impression here. Responsible politicians

fear the disintegration of our country and are thinking about who could get their hands on the giant nuclear potential under such conditions.

James Billington, director of the Library of Congress, and a first-rate expert in our history, said that Russia had repeatedly lived through troubled times and had emerged strengthened and renewed. During my speeches in U.S. colleges American specialists referred to the troubled times in their country—both during the ordeals of the civil war in the last century and in the crisis period in the 1930's. It sounds strange, but America views the fate of our perestroyka with greater optimism than we do. It knows and believes in the significance of democratic institutions, economic freedom and initiative, and human rights. It specially values the ever increasing openness of our society.

Third, the problem of German unification. Here the positions of the two powers are still considerably at odds. But I saw how Bush lent an attentive ear to Gorbachev's arguments and the impression made on him by the figures concerning the sacrifices of our peoples in the war period. It seemed to me that the note of European security came to be heard more strongly in the American President's speeches in the context of the German problem. Of course, Bush is not, like certain American Sovietologists, speaking about a Europe from California to Vladivostok. But understanding of the natural differences in the two countries' public opinion and national interests is growing. Arguments about ceilings on Germany's armed forces, its renunciation of nuclear weapons for all time, the interconnected nature of the process of a reduction in both powers' military presence on German territory, and about the evolution of NATO may be heard increasingly often among American politicians. But this is only the start of the process of rapprochement of the positions of the two powers.

And, finally, the agreement on permanent meetings of the two leaders. A stable mechanism of cooperation, which could, who knows, grow into real friendship, is emerging. This year even Bush will, most likely, come to the USSR. This will be an important event for our country. We recall how many visits of American presidents to us have been thwarted. This visit will take place.

Seven years ago I wrote an article entitled "USSR-United States: Rivals, Partners, Enemies?" This was at that time an expression of hopes which seemed illusions. Now we are in a period of history when it may firmly be said that we are no longer enemies, are still rivals in a number of important spheres of international politics, but, most, are becoming partners in the search for a new system of general security, openness, and the peoples' prosperity.

Gorbachev Visit Summed Up

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[Excerpts] Soviet President Gorbachev's state visit to the United States has ended. Our correspondents report as follows:

I am very satisfied with the results of the latest summit, and I think that Americans, as well, are satisfied. This is what President Bush said.

These remarks by President Bush completely and definitely express the attitude of both official and unofficial U.S. circles on the result of the Soviet president's visit to the United States. The success of the Washington summit has been officially recognized, and the summit has confirmed that the process of overcoming confrontation cannot be reversed and that both sides are pursuing the establishment of a structure of new cooperation. [passage omitted]

President Gorbachev paid great attention to the matter of examining the possibility of U.S. businesses participating in the development of the enormous natural resources in the Far Eastern region of the Soviet Union. The San Francisco talks between the Soviet president and South Korean President No Tae-u drew special attention. Some people consider this meeting a political sensation. We, however, would like to recall President Gorbachev's remarks made in this connection at a Washington press conference; that is to say, the Soviet Union is trying to more actively develop relations with countries in Asia and the Pacific.

In his speech at Stanford University in San Francisco, President Gorbachev emphasized future prospects for Soviet-U.S. relations. [passage omitted]

U.S. Officials Review Summit

LD0606082390 Moscow TASS in English 0821 GMT 6 Jun 90

[By TASS correspondent Vladimir Matyash]

[Text] Washington June 6 TASS—The Soviet-American summit became an important step forward both in bilateral relations and from the viewpoint of positive processes taking place in the world as a whole.

This is the the keynote of lively discussions that are now under way in the United States, with people pointing out that the summit in Washington drew the line under the era of confrontation between the United States and the Soviet Union and inspired hope for a better future.

Any talk about a Soviet military threat is now devoid of any sense, Paul Warnke, former director of the U.S. Arms Control and Disarmament Agency, told a symposium at the National Security Information Council on Tuesday.

The time has come to seek radical reductions in strategic nuclear arms targeted both on the United States and the Soviet Union, he added.

At present there are no reasons to build up nuclear arsenals for the conduct of a protracted nuclear war under conditions when the risk of military confrontation between the two countries is the least since World War Two, Warnke said.

It would be simply unreasonable to think that such a war would take place, said Warnke, recalling the commitment jointly expressed by the Soviet and American leaders to prevent an outbreak of nuclear war.

Warnke, reflecting the sentiments of many U.S. prominent arms control experts, called for signing a treaty on a 50 per cent cut in strategic offensive arms as soon as possible.

The S.T.A.R.T. treaty, he emphasised, will become an important step forward towards the accomplishment of the main task: to reduce the risk of outbreak of nuclear war. The presence of American nuclear weapons on the territory of a reunited Germany is absolutely unacceptable to the Soviet Union, Warnke pointed out.

Admiral (retired) Eugene Carroll, director of the Defence Information Centre, emphasised the Soviet Union's interest in reaching a S.T.A.R.T. accord by the end of 1990, and voiced the view that effective verification and control measures concerning sea- and air-launched cruise missiles could be worked out.

He said his recent trips to Moscow convinced him that the Soviet Union seeks to establish an effective control over cuts in naval arms and is interested in deeper cuts in strategic nuclear arms.

Competition in the development of air- and sea-launched cruise missiles does not meet the national security interests either of the United States or the Soviet Union, Carroll said.

Considering geographic peculiarities, sea-launched cruise missiles undoubtedly pose a greater threat to the Soviet Union than to the United States, the admiral said, specially pointing out that an upgrading of any variety of cruise missiles would only seriously complicate the arms control process. He also described as an unjustified step the U.S. Navy's intention to build 24 new submarines armed with Trident nuclear missiles.

Andreas Zumach, a prominent West German anti-war figure, touching upon the German question, voiced the view that Chancellor Kohl ignores the tremendous difficulties that still stand in the way of German reunification.

Zumach regards as a stumbling block the intention of the leadership of the United States and the Federal Republic to keep a reunited Germany within NATO's military structure.

There is every ground for Soviet concern over NATO membership plans for a reunited Germany, the expert emphasised.

Such stance of the west, he said, should be reviewed within the framework of ensuring European security, which was to a large extent promoted by the Soviet-American summit.

Arms Agreement Discussed

LD0206154390 Moscow in English to North America 2200 GMT 1 Jun 90

["Top Priority" program hosted by (Irina Tkachenko) with (Andrey Shemikhin), head of the U.S. Regional Policy Department of the United States and Canada Institute, and (Jonathan Sanders), CBS correspondent in Moscow]

[Text] [(Tkachenko)] The topic for today obviously is the Soviet-U.S. summit in Washington and its implications for the two countries and on the international, broader scale. The first issue, which was pointed out by President Gorbachev as the main point on the agenda, the Strategic Arms Reduction Treaty, the first of its kind in the Soviet-U.S. history that would trim the nuclear arsenals by some 30-35 percent if signed by year's end. Consider, however, that there is still a tremendous overkill potential on both sides in terms of nuclear weapons. How much of a gain is this agreement in this context, Andrey?

[(Shemikhin)] I think that overall, psychologically, it is more than important. We can say that without any doubt. Politically, indeed nothing can be better than to have another agreement of this sort. From the point of view of military hardware, the amount of what is going to be reduced, this is for the specialists to discuss. Some say that even the previous agreement was only a small step forward. However, from a purely political point of view—and this is my speciality and my approach—I think that we can not overestimate this agreement if it is adopted.

[(Tkachenko)] Do you think, Jonathan, that the two sides would be ready to make much deeper cuts, which would be required to substantially reduce the nuclear threat?

[(Sanders)] Well I agree with Andrey. I think that psychologically this is important. I think it is psychologically important to the negotiators who have been sitting around for too long and haven't thought up anything new and very radical. I think they have to go on to have three or four more START treaties. They are reducing weapons that make a marginal difference but don't reduce the overkill. We have many more weapons now than we did before the treaties of the 1970s; we have multiple entry warheads. Not only is it a question of safety it is a question of expenditure. Developing new weapons to replace weapons that are ageing is very expensive. The weapons themselves are not that expensive compared to maintaining conventional forces—

both countries can use the reduction to do things for their people. I think it is important because it pushes things forward but we should put the emphasis on the political and the psychological and not the military. In military terms it is not that significant.

[(Tkachenko)] Well coming from the most promising, probably, to the most devisive issue on the agenda of the current summit, the cuts in conventional weapons, the new shape of Europe which so heavily depends on the future status of a unified Germany. The divisions of course are clear, with the U.S. Administration insisting, hanging on so far in full, on Germany's membership of NATO. The Soviet Union seems to be moving from Germany's neutrality to its partial membership in NATO, in the political structure but not in the military structure. Do you think the announcement which came on Thursday [31 May] from both presidents that they were prepared to find common ground on the German issue can be indeed indicative of a possible compromise, a give and take on the basis of this latest soviet proposal, Jonathan?

[(Sanders)] Well I think that they are going to find a compromise because events dictate that they have to find a compromise. I think that the Soviet Union has been changing its policy very rapidly to keep up with events and because there was not a set policy toward a united Germany. I think some of it has to be facesaving and I think that the United States has been relatively, relatively accomodating in not making outrageous statements too often. I think the insistence on an East Germany [as heard] being a part of a military alliance with the potential to strike at the Soviet Union is naturally a very disturbing thing in the Soviet Union. I think it is a false step and I think that both countries are avoiding their historical lesson. The historical lesson is they once settled on one German state: The Soviet Union got out of Austria, it became a neutral country guaranteed by both sides. I don't know why that isn't being discussed more.

Do you agree Andrey?

[(Shemikhin)] Jonathan, I would agree with you almost 100 percent. What really is important in this issue is the international implications of the reunification of Germany, which will come we have no doubt about that. When President Gorbachev was in Canada he said that some of the proposals put forward by NATO countries are interpreted in Moscow as aimed at reducing Soviet security. This perhaps could be again interpreted as the kind of thinking of the past: The proposal comes from NATO, why do they propose it, we are afraid of it. But these things are very real, as you said yourself. Soviet-German relations were very complicated, to say the least, in the past. What is the future of these relations? What is the role NATO countries are going to play in that? I think that the suggestion you made by the end of your little presentation are quite true; perhaps neutrality is the best way out. Anyway there should be more agreement, more discussions on this issue and more compromise.

[(Sanders)] Well Andrey, you know the one thing we're not talking about in changing Germany is that they are going to have a new weapon and the new weapon is going to be much more important to future relations between Central Europe and the Soviet Union than nuclear weapons, than conventional weapons or political agreements. They are going to have a very mighty deutschmark, which is going to play a role in trade with the Soviet Union and in trade with East Europe and nobody is talking about how to regulate that trade, what forms it's going to take or what kind of secret guarantees or understanding there are going to be as tradeoffs for economic concessions to get political agreement.

[(Shemikhin)] This is another reason why this whole problem should not be discussed only through the purely military dimension of it. Let us discuss the role of Germany in the economy of Europe, let us discuss the role of Germany in the EEC, and perhaps the Soviet role...

[(Sanders), interrupting] And after this week, with Mr. Ryzhkov talking about by the year 2000 there being a convertible ruble, maybe that'll happen, maybe it won't, we can begin to think about that. I am surprised actually that the economic side of this has been so under discussed and under consider...

[(Shemikhin), interrupting] So am I.

[(Sanders)] I think that's where the future of the relationship lies.

[(Tkachenko)] Let's go on to the more specific issue, specific to the bilateral relations between the United States and the Soviet Union, the trade agreement. A benefit for both sides if signed, although perhaps in a different measure. What do the U.S. businessmen, what does the United States as country, stand to gain from this agreement?

[(Sanders)] Well, the Soviet Union is obviously a tremendous market that has been underdeveloped by U.S. businessmen. Their opportunities for doing trade are restricted by two things, by the reality of U.S. law, the Jackson-Vanit Amendment, the fact that import duties are so very high on the Soviet Union, and by the economic realities on the other side, that there is very difficult conditions for profit being taken out of the Soviet Union and that the repatriations of profits have to be done through a very convoluted system, which is complicated when you can not bring goods in at the duty level of Most Favored Nation trading status. I think that it is a tremendous market for the U.S. businessmen, manufacturers. Since the 1920s U.S. businessmen have tried to do things in the Soviet Union: Armand Hammer, Averell Harriman, Ford Motors in the 1930's in Gorkiy, and we've seen a willingness and an eagerness. But there are restrictions on trade and if Calvin Coolidge said the business of America is business it's about time they got on with the business.

[(Tkachenko)] Andrey, a question to you. Considering that the Soviet economy is in such bad shape what with the crisis in almost any area and the nonconvertible ruble do you think the agreement, again if signed, is more of a political gesture, probably of political good will, rather than an economic advantage to the Soviet Union?

[(Shemikhin)] Indeed, this is how it appears to me. I would also add to what Jonathan said that [changes thought] to his very reassuring statement that U.S. business is prepared to do business with the Soviet Union.

[(Sanders), interrupting] If they can make money.

[(Shemikhin)] If they can make money. This is very important. The economic side of it is something which will come as a next stage provided the political obstacles are removed. However, let us think for a while about the economic side of it. How prepared will the two sides be for trading? I have my doubts about this. We have traditional partners in Europe already. We are building up partners and relationships of economic and trade nature. In Asia the Japanese, South Koreans are coming and perhaps there will be a thoroughly competitive environment in which the U.S. businesses and entrepreneurs will have to rethink their policy. Perhaps they will abandon the Soviet market for a time being, or perhaps they will increase their activities in this market. I don't know. Indeed, we need more McDonalds but we also need more important U.S. enterprises to come here. Will they come?

[(Sanders)] I agree with that. I mean, I think that trade with the Soviet Union is never going to be the first export-import business on the U.S. agenda, but I think there are tremendous opportunities. The political side of this is extremely interesting and I think it reveals something that I don't think many Soviets or many Americans want to talk about. We know that when the Soviet Union was denied most-favored-nation status in the 1970's such status was right away given to China. Once again we're having that happen. After the horrible events, the massacre in Tiananmen Square last year. In a way, if you were to do a reductionist formula it is to say a country that sticks by Stalinism is rewarded with trade agreements, a country that's moving away from Stalinism is denied them. Is that the case? I mean, it certainly looks like that. There is more at work here and I think what's at work in some ways is this is the first post-cold war summit. It's the first summit where the enemy image is disappearing somewhat. Some of the anti-Sovietism that animates U.S. foreign policy is disappearing, but behind that is a Russiophobia, an anti-Russianness driven by some of the minority groups that live in the United States, that existed before the revolution. I think we have to be wary that that kind of sentiment is going to interfere again and again with political relations and ultimately with economic relations. I think we have to pay attention to that anti-Russian fervor that can be stirred up again in the United States. It has little to do wtih socialism, communism, or the Soviet Union. It has to do with historic conditions and very active groups of Americans who are very effective at getting legislation passed or, more importantly, blocking legislation.

[(Shemikhin)] I would say only in some cases. In others this doesn't work at all and we all know that U.S. businesses were dealing with certain regimes, countries, and economies that were far from democratic, that were opposed by certain interest groups inside the United States. However, business was being done. Take South Africa, Chile...

[(Sanders), interrupting] Oh, the Americans liked Chile, it was kind of like what China is now, repressive and dictatorial.

[(Shemikhin)] Not all of them I would say.

[(Sanders)] The other thing, of course, that's interesting in finding trade developments and changing laws is the example of China in developing free enterprise zones and bringing in capitalism has depended a great deal on what are called expatriate or overseas Chinese. And it's going to be interesting to see how much political relations are going to interfere with overseas Soviets getting involved in trade. Are we going to see Israeli Soviet-born businessmen coming here? Are we going to see Soviet emigres in the United States? We're beginning to see that already with the opening up of the ability to come back. So there are a variety of ways taht border changes, immigration changes, and political changes have a strong impact on economic development.

[(Tkachenko)] To trail on what you've just said, the nationalities problem in the Soviet Union, as well as the economic difficulties and the anti-Russian fervor in the United States, (?along with) some other problems of economic nature as well, like the savings and loan debacle called by some observers the biggest financial crisis in U.S. history, are problems which the two presidents are facing in their countries. How much do you think the popularity of the two presidents hinge on the outcome, the results of this summit, Jonathan?

[(Sanders)] Well, I think, in large terms, President Bush has centered his foreign policy on reactions and interactions with Gorbachev's reforming Soviet Union. I don't think, unless there's some incredible disaster, unless a tree falls down on Raisa or something, that any specific results or lack of results at this summit will have a great effect on Bush's popularity at home. He'll be a congenial host, there's a lot of show, if they make progress that's good, I don't see what the downside is for him. And I think on the Soviet side people are so preoccupied with events at home that this is a sideshow. I think it's interesting, it'll give Gorbachev some credit, but where his popularity rises or, in this case, continues to fall is at home because of drastic increases in the price of bread, macaroni, and things like that. These are difficult problems and now he's got ot contend with the rising popularity of Mr. Yeltsin in the Russian Federation. So I think on the U.S. side it'll probably stay about the same.

On the Soviet side, not much influence. Domestic policy, domestic problems take great precedence.

[(Shemikhin)] Unless, I would say, and I agree to a large extent with the order of priorities that Jonathan mentioned as far as the Soviet Union is concerned, but unless there are tangible results coming from the summit, even for the Soviet consumer—I had a chance to be involved in what is called people's diplomacy in the Soviet Union, and we know how many U.S. groups of various nature are involved in bilateral people-to-people relations. And this particular summit has this dimension. If it opens up a larger traffic of ideas, humans, resources, whatnot, between the two countries, that could be a tangible result that could be very helpful and could certainly augment President Gorbachev's popularity because this is basically what everyone is looking for at this time coming from the outside.

[(Tkachenko)] Andrey, do you see the popular sentiments toward Gorbachev in this country as a growing opposition, a decline for Mr. Gorbachev and a rise for Boris Yeltsin, like Jonathan has just mentioned?

[(Shemikhin)] I wouldn't be very categoric in making assessments on this account, especially since we lack something which our U.S. counterparts had for a long time, which is evaluating and understanding the public opinion. It struck me that before the summit our Soviet papers were full of reports on what the U.S. attitude is toward our president, their president, toward the summit, and so on and so forth. There were practically no such evaluations, at least the ones that I could see, that would deal with the Soviet reaction. Now how are we to gauge all these things here? We need a more elaborate mechanism to understanding all these things, otherwise there is always a danger that a single individual, guided by his emotions, by his biases and preferences, will say yes to your question or no, and this is not (?safe) because we are talking about politics and, depending on who that individual may be, it may influence the public opinion. So let us hope that we will have a mechanism sooner than later that will allow us to have... [changes thought] be able to make a better judgement on what the public thinks on all these issues.

[(Tkachenko)] Let me put a final question to you. Both Mr. Gorbachev and Mr. Bush have stated after their first working session that the summit is proceeding in an extremely constructive and positive atmosphere and they were prepared to make progress on virtually every major item on the agenda. Someone called this summit, the seventh summit in the last five years, a transition from a sweet honeymoon between the two former superpowers to a tough marriage. How workable do you think this marriage is going to be, Jonathan?

[(Sanders)] Oh, I think it's a workable marriage. I think both the sides, though, are getting into something that they have no conception of. They've got to formulate policies for a post-cold war world, nobody knows what that's going to be. There hasn't been much thinking about the shape of those relationships, the interaction between politics and economics, the kinds of psychological interractions between the two peoples. And when you're dealing with something that is so unknown it's very difficult to get along real well because you don't even know what you're perceiving. You may argue about perception rather than about how to change reality, and I think that's their problem.

[(Tkachenko)] Andrey?

[(Shemikhin)] Could I perhaps add another dimension to this metaphor of yours? We all know that in marriage it is not only the newlyweds that matter but the in-laws—in this particular case, the outside world, their reactions. And by the outside world I mean certainly allies and clients and friends and foes and all that, their reactions will be very important for the marriage because we know that in some cases, in some instances, some regions, some of the allies and clients have gained the power of a very obnoxious mother-in-law who has the power basically to dissolve or to make a marriage happy. I would simply like to add that we have to look for signs of things to come not only in the bilateral relationship but in the overall international relationship, in the way others, the in-laws, react to this particular marriage.

[(Sanders)] I love the idea of Fidel Castro with his long beard being an angry irate mother-in-law.

[(Shemikhin)] Well, he's a father-in-law, that's for sure.

[(Tkachenko)] And on that let me bring to an end this edition of "Top Priority." Thank you, (Jonathan Sanders), a CBS correspondent in Moscow, and (Andrey Shemikhin), an expert in U.S. regional policies from the Institute of U.S. and Canadian Studies. I'm (Irina Tkachenko) saying goodbye until next time.

USSR-U.S. Strategic Agreement Discussed

SK1406052090 Moscow International Service in Korean 1100 GMT 13 Jun 90

[Text] Summing up his visit to the United States, Soviet President Mikhail Gorbachev called it a measure taken to usher in a world free from nuclear weapons and violence.

In a speech delivered before the country's Supreme Soviet on 12 June, he stressed that the Soviet Union and the United States had forged a mutual understanding on the reduction of strategic arms. This will enable the two countries to prepare and sign a treaty on the reduction of strategic offensive weapons before the end of this year.

Station commentator Oleg Alekseyev [name as heard] wrote the following:

How will the successful progress in Soviet-U.S. talks on a treaty to reduce strategic arms by 50 percent affect the interests of the countries in Asia and the Pacific region? It is no accident that I ask such a question.

First, I believe that you, the listeners, may have your own (?answer) to this question.

Second, the prevailing view in Asia and the Pacific still paints the Soviet Union and the United States as if they think only about their own interests.

Now, let us examine the agreement between the Soviet Union and the United States on reducing strategic nuclear weapons by 50 percent.

As for the interests of these two superpowers, everything is extremely clear. When such a treaty is signed, the superpowers will feel a lot safer than before. This is because in the territories of the Soviet Union and the United States there are thousands of powerful offensive nuclear bombs and the means to deliver them.

But one must not forget that if a nuclear clash occurs between the Soviet Union and the United States, it will transform into a global war. Gone are the days when many countries in the world, including Asia, entertained the illusion that they were removed from such an occurrence. Today, everyone who is conscious of the powerfully destructive nature of nuclear weapons understands that a nuclear exchange between the Soviet Union and the United States will lead, without fail, to global catastrophe. Nuclear tornadoes will spare no one and will destroy all of humanity.

Judging from this, it becomes clear that the issue of drastically reducing strategic arms does not concern the Soviet Union and the United States alone. This reduction will become an important step toward providing all countries and people throughout the world, including those in Asia and the Pacific, with greater security.

I do not find it necessary to further mention the fact that a conspicuous portion of such weapons exists in Asia and the Pacific.

If the Soviet Union and the United States sign a treaty on the reduction of strategic offensive weapons by 50 percent, the two superpowers will reach the second stage of nuclear weapon reductions.

Already, the process of dismantling intermediate- and long-range nuclear missiles in the Soviet Union and the United States, as outlined in the INF Treaty of 1987, is under way. Contained in this treaty is a requirement for the Soviet Union to abolish all missiles in this category that are deployed in our country's Asian territory.

The Soviet Union decided to include this practically universal requirement in the treaty after taking into consideration the desire of many countries in Asia and the Pacific.

Finally, I would like to mention the following: The reduction of nuclear weapons to be carried out by the Soviet Union and the United States has an open possibility of eventually including all the nuclear powers, including China, in this process. Thus, Beijing has raised questions concerning this process. Without a doubt, this will further hasten the process of moving toward a safer new world free from nuclear weapons and violence worldwide, and this includes Asia and the Pacific.

China

Ryzhkov Talks With PRC's Liu Huaqing

LD1406095390 Moscow TASS in English 0932 GMT 14 Jun 90

[Text] Moscow June 14 TASS—Soviet Prime Minister Nikolay Ryzhkov met Colonel General Liu Huaqing, deputy chairman of China's Central Military Council, in the Kremlin on Wednesday.

Liu Huaqing is currently in the Soviet Union on an official visit.

During the conversation, which was held in a friendly atmosphere, Ryzhkov and Liu Huaqing pointed to successful development of Soviet-Chinese relations following the summit meeting in Beijing in May 1989.

They also noted the broadening of contacts and cooperation in various fields on the basis of mutual trust, which meets the interests of the two countries' peoples and promotes greater international stability and stronger peace.

The two sides expressed satisfaction with the started realisation of the accords reached during the visit to the Soviet Union in April this year by Li Peng, premier of China's State Council, on the development of cooperation in science, technology and production, including aircraft construction and peaceful uses of outer space.

Special attention was devoted to problems connected with conversion in the defence industry.

Rogachev, PRC's Qian Qichen Discuss Relations

LD1306172190 Moscow TASS International Service in Russian 1215 GMT 13 Jun 90

[Text] Beijing, 13 Jun (TASS)—Today PRC Foreign Minister Qian Qichen here received I.A. Rogachev, USSR deputy minister of foreign affairs, who informed him of the Soviet-U.S. summit meeting results, on the instructions of the Soviet leadership. During the exposition of this information, it was noted the further development of constructive cooperation between the USSR and the United States is not directed against third countries, but, on the contrary, is creating the prerequisites for ensuring their interests.

Qian Qichen stated that in China they welcome an improvement in USSR-U.S. relations. He made a positive assessment of the progress attained during M.S. Gorbachev's talks in the United States in the sphere of reducing strategic offensive weapons. The minister expressed the hope specific agreements in this sphere could be concluded between the two countries as soon as possible and implemented.

In the course of the conversation in order to further [as received] the information conveyed to the Chinese side, the prospects were discussed for settling regional conflicts and, in particular, the Cambodian problem.

The issues of holding further Soviet-Chinese border talks also were examined. It has been stipulated the fifth session of the working group within the framework of these talks will start in Moscow on 26 July this year.

Taking part in the conversation was O.A. Troyanovskiy, USSR ambassador to the PRC.

PRC Agrees To Discuss Asian-Pacific Issues

OW1306130690 Moscow in Mandarin to Southeast Asia 1200 GMT 12 Jun 90

[Text] A consultation meeting on issues relating to the Asian-Pacific region was held in Beijing recently. Such a meeting falls within the scope of a consultation agreement signed by the foreign ministries of the USSR and the PRC.

Both sides exchanged their opinions on the overall situation in this region and on military, political, and economic aspects, including ways to reduce tension on the Korean peninsula. They reached an agreement to hold regular Soviet-Chinese consultations on the Asian-Pacific Region problems.

PRC Official Lauds Moscow's Mandarin Programs

OW1306022190 Moscow in Mandarin to Southeast Asia 1100 GMT 6 Jun 90

[Interview with (Cheng Zhenzheng), president of Beijing Broadcasting Academy, by (Popoyang), special station correspondent in Beijing; from the "World Today" program]

[Text] [Announcer] This year will mark the 50th anniversary of Moscow Radio Station's Mandarin broadcast. As the president of a broadcasting academy, what is your evaluation of our broadcasts?

[Begin (Cheng) recording] I began to listen to Moscow Mandarin broadcasts sometime between 1943 and 1945. I first heard the news on the victory of the anti-fascist war from Moscow Radio. I believe that comrades of the Mandarin Department of Moscow Radio performed meritorious service in spreading the news about the victories of the anti-fascist war and the war of resistance against Japan. Then, for a long period of time, I did not tune in to Moscow Radio. Since China's implementation of the reform and opening policy, there is a growing need for keeping ourselves informed of events in the outside world. Now I tune to Moscow Radio again. I believe that Moscow Radio has done a tremendous job in strengthening friendship between the people of our two countries and promoting world peace. I would like to take this opportunity to extend an old listener's best wishes to the comrades of Moscow Radio's Mandarin Department on its 50th anniversary. [end recording]

Israel Science Academy To Open Beijing Office

OW1306145390 Moscow in Mandarin to Southeast Asia 1100 GMT 13 Jun 90

[Text] The Israeli Academy of Sciences will establish a permanent representative office in Beijing on 15 June in accordance with an agreement reached between the two countries' foreign ministers in May 1989.

(Shair H. Watt), first representative of the office, said Tuesday in Beijing that the task of his office is to promote cooperation between Israel and China in various scientific fields. Several priority fields for developing cooperation have now been determined.

It should be pointed out that the PRC has no diplomatic relations with Israel. During his visit to Egypt last December, Chinese President Yang Shangkun said Beijing will not establish diplomatic relations with Tel Aviv before Israel gives up all of the Arab land it occupies.

Northeast Asia

New Japanese Envoy Predicts Favorable Ties

PM1106112790 Moscow IZVESTIYA in Russian 8 Jun 90 Morning Edition p 5

[Interview with Sumio Edamura, newly appointed Japanese ambassador in Moscow, by IZVESTIYA correspondent S. Agafonov in Tokyo; date not given; first two paragraphs are introduction: "The Most Valuable Thing Is Mutual Understanding, the New Japanese Ambassador to the USSR Believes"]

[Text] A few days ago the emperor of Japan confirmed Mr. Sumio Edamura in his new appointment as ambassador extraordinary and plenipotentiary to the Soviet Union. After a long diplomatic career, which has taken him to Hong Kong, Madrid, Djakarta, and a host of other locations, Sumio Edamura is going to Moscow, weighed down by a long line of newspaper publications in which timid forecasts mingle with firm conclusions that something bigger than a simple cadre reshuffle lies behind this appointment: The new ambassador's connections in the Japanese political and business world are too great and his influence in the intradepartmental workings of the Foreign Ministry too perceptible.

I will not conceal the fact that these intriguing arguments aroused a keen desire in me to acquaint readers with the new Japanese ambassador—which, after several unsuccessful attempts, was eventually realized on the eve of his excellency's departure for the Soviet Union. So, here is Sumio Edamura in a special interview for IZVESTIYA:

[Edamura] Like anyone else setting off into the unknown, I am looking forward to meeting Moscow with mixed feelings of curiosity and apprehension and with an odd symbiosis of positive and negative ideas based on my experience and modest knowledge of your country. Two things are worrying me in particular, at present: First, I cannot speak Russian yet and, second, I have all

the rigors of "perestroyka" in the direct sense to look forward to, because it is a disgrace to call the building located on a Moscow side-street with the poetic name Kalashnyy an embassy building: Cosmetic measures will not save it: something more radical needs to be done. I hope to cope successfully with both obstacles. I firmly believe in this respect that there is no negative which, with proper endeavor and persistency, cannot be turned into a clear positive.

These are allegories in a "light vein," however. If I am going to be serious, then I must say that I am going to a country with a very rich history and culture and a wealth of traditions, a country experiencing an extremely important stage in its development. A great deal inspires optimism in me: First and foremost, the fact that the policy of perestroyka and glasnost is turning the Soviet Union into an open society and creating all the conditions for fruitful, actively work not only for your own citizens but also for businessmen and diplomats, Japanese included.

By work in this case I mean our vital professional concerns: At the present stage, in today's propitious conditions, relations between our countries are far from adequate when set against the potential which each of the sides possesses. This statement could not be described as a fresh, original observation: The stand taken by Japanese and Soviet representatives in this assessment is completely identical—which only makes the problem of rectifying the imbalance all the more topical.

I must tell you that I have devoted the last few days entirely to meetings and talks with Japanese businessmen: leaders of economic organizations and heads of major corporations and firms. I would describe the main outcome of these talks as follows: Japan is setting great store by the long-term development of economic ties with the Soviet Union, but it has also clearly indicated a number of serious difficulties standing in the way of these hopes' being realized. In particular, my interlocutors pointed to the puzzling structure of leadership of foreign trade activity in your country, the present state of which is complicating the actual process of business talks; the prospects regarding the problem of convertibility for the ruble and the future of the Soviet monetary unit generally are unclear. Other economic factors also figured, but politics came up as well: They said to me that a reliable legal framework and, most important of all, a peace treaty between our countries that can serve as the basis of the entire future structure of relations are needed in order to develop large-scale commercial activity geared to the long term.

Politics, incidentally, are already having a favorable impact on economic affairs. A brilliant example of this is provided by Western Europe and the United States, where the Soviet doctrine of new thinking has resulted in increased business interest in your country. Naturally, these achievements are also attracting the attention of Japanese business, giving rise to certain expectations. As a diplomat, I believe that we must endeavor to ensure that these expectations are not left unfulfilled, and the way to this lies in increased intensity of political dialogue, the exchange of visits by foreign ministers, and next year's visit to Japan by the Soviet president, which could bring about a leap forward in the development of our relations.

Here it is important to point out that it is not only a question of bilateral affairs: The problem is broader and concerns a wide range of regional and global issues in which both the Soviet Union and Japan have an interest. I am thinking in particular of the problems of safeguarding peace and security in the Asia-Pacific region and the prospects of resolving regional conflicts. If we return to the bilateral "track," however, then the conclusion of a peace treaty based on a solution to the territorial problem holds first place for us, of course. There need to be serious preparatory efforts and talks at a working level, although a political solution at the highest level is still the most important.

These are questions of strategy, however. The main tactic for me, as the new ambassador to Moscow, is broad contact, the organization of ties, and the "building of bridges," primarily personal ones. Direct contact and mutual understanding are, in my view, the most valuable assets in work and in life. I have worked by this motto for many years now, and it has never once let me down. I fly into Moscow on Friday (16 Jun) and hope to get down to work immediately, because there simply is no time to waste: The rest of this year and particularly next year are extremely packed with events in Soviet-Japanese relations.

U.S., Japan Urged To Join Asia-Pacific Talks

OW1106132690 Moscow in Mandarin to Southeast Asia 1100 GMT 10 Jun 90

[Commentary by international affairs journalist (Lazalyev); from the "World Today" program: "Issues of the Asian-Pacific Region and Prospects for Reduced Military Tension"]

[Text] A positive process has unfolded in the Asia-Pacific Region. This no one can deny. The following are a few indications of the development of a new situation in the Asia-Pacific Region.

In 1989, Soviet-Chinese relations were normalized; the Soviet Union withdrew troops from Afghanistan and Vietnam pulled out its troops from Cambodia; the process of normalizing relations between China and Vietnam began; the necessity of settling the conflicts in Afghanistan and Cambodia became an increasingly pressing reality; and hopes for political dialogue between South and North Korea emerged. In this connection, I would like to point out the constructive nature of the meeting between Gorbachev and South Korean President No Tae-u in San Francisco.

Besides, I would like to discuss the unilateral measures taken by the Soviet Union to promote a relaxation of military tension in the Asia-Pacific region. By the end of this year, the Soviet Union will have cut its Armed Forces in the Soviet Asia region by 200,000, including 120,000 in the Soviet Far East, and have reduced the Soviet Pacific Fleet by 16 military vessels, in addition to having withdrawn some Soviet troops from Mongolia. The Soviet Union also has decreased considerably its military presence in Vietnam's Cam Ranh Bay.

In accordance with the treaty on the destruction of intermediate- and short-range guided missiles, the Soviet Union has reduced such missiles in Soviet Asia. This, in fact, is an unilateral measure because the United States has not yet taken any reciprocal action as stipulated in the treaty. However, as we understand, the Soviet Union cannot continue to unilaterally cut down its Armed Forces at any cost. There is, of course, a bottom line to this process. As Soviet military experts have pointed out, the process of reducing military confrontation in the Asia-Pacific Region and the Far East can be continued only on the basis of reciprocity. Regrettably, no reciprocal action has been taken in this respect thus far. True, the United States has announced a 10 percent reduction in the number of troops stationed in South Korea, Japan, and the Philippines. However, this measure cannot be taken to be on an even par with the Soviet proposal. Furthermore, the United States and Japan have stationed much larger naval forces in the Far East very close to the Soviet Union. We can only wish that the United States and Japan would embark on the road of effective negotiations with the Soviet Union, thereby reducing military tension in the Asia-Pacific Region. This is demanded by the entire logic of the development of international situation, including the Asia-Pacific region.

Comparing the European experience with the Asian reality at the joint news conference with U.S. President Bush, Gorbachev pointed out that a positive process in any region will be a protracted and an arduous one. However, the Soviet president emphasized that this protracted and arduous process is indispensable because the people of various countries in that region yearn for the possibilities of a comprehensive control of resources and a solution to problems that have (?accumulated) there.

Reportage on Seizure of Korean Fishing Boats

Boats To Arrive in Soviet Port

OW0406141490 Tokyo KYODO in English 1324 GMT 4 Jun 90

[Text] Moscow, June 4 KYODO—Twelve North Korean-registered fishing boats seized by Soviet authorities last month for allegedly poaching salmon in the north Pacific with largely Japanese crews will arrive Tuesday at the Far East Soviet port of Nakhodka on Tuesday, Soviet Fisheries Ministry officials said Monday.

The Soviet authorities apparently decided to move the vessels from Shikotan off northeastern Hokkaido to Nakhodka because of the presence of both Japanese and North Korean consulates there.

All crew members, including some 170 Japanese fishermen, are expected to stand trial at Nakhodka from the end of this week to early next week, the officials said.

The officials also suggested that the trial will likely take a day or two, after which the fishermen, except for the ships' captains and lead fishermen, will probably be released.

The 12 fishing vessels, with painted over North Korean registration numbers and flying North Korean flags, were seized by Soviet authorities around May 20 for allegedly taking salmon spawned in Soviet rivers from the seas off the Kamchatka peninsula.

A Soviet diplomatic source pointed out earlier that while the fishing was a violation of a Soviet-North Korean accord signed by the two governments in 1987, Soviet authorities have found that the equipment and tools on the ships were largely Japanese products and the lead fishermen and most of the crews were also Japanese.

The source also added that it was "regrettable" that Japanese fishermen were involved in violation of the 1985 Japan-Soviet fishing agreement.

Meanwhile, a North Korean fishing company's president who was aboard one of the detained boats had been asking the Soviet authorities to allot a salmon quota to his firm in the north Pacific since 1988, sources in Tokyo said Monday.

The sources said Yi In-man, president of the North Korean Deep Sea Fishing Co., initially did not intend to poach salmon in the waters when he planned to start operating salmon fishing jointly with a Japanese company two years ago.

Since there are no salmon quotas for North Korea in the 200-mile sea zone of the Soviet Union, Yi tried to negotiate with the Soviet authorities to gain one but failed, the sources said.

Phony ID's Suspected in Scam

OW1106142590 Tokyo KYODO in English 1219 GMT 11 Jun 90

[Text] Nakhodka, USSR, June 11 KYODO—Registration and navigation certificates held by North Korean-registered boats seized by Soviet authorities for poaching may be forged or false, sources said Monday.

The certificates describe a North Korean fishing company as the owner of the vessels, while a contract with a

Japanese fisheries firm in northern Japan stipulates they are leased to the Pyongyang company, Soviet sources said.

North Korean authorities may be implicated in forging the certificates, the Soviet sources said.

Twelve fishing boats bearing North Korean insignia and a large contingent of Japanese crew members, were brought here for questioning after being seized by the Soviet coast guard for poaching salmon in open seas late last month.

Registration certificates issued for the vessels by the North Korean ship registry bureau and navigation certificates issued by the North Korean Maritime Affairs Bureau's Yonan office name the Korean Ocean Fisheries Co. as the owner in Korean and English, the Soviet sources said.

The sources said some of the logbooks held by crew members on the boats were produced by the North Korean maritime authorities before registration documents were issued.

The logbooks carry the names of fishing boats for which registration certificates were not yet issued, the sources said.

This is unusual in light of international rules, which say logbooks can be issued only after vessels have been registered by maritime authorities, they said.

The fact that the North Korean company owns the fishing vessels suggests the contract may be false or the registration certificates may have been forged, the sources said.

Operation logs on some of the North Korean-registered fishing boats describe hauls by the ton and kilogram instead of head, the term usually used among Soviet and Japanese fishermen, they noted.

This means fishermen unaccustomed to catching salmon may have been involved in the North Korean ships' operations, the Soviet sources said.

Some Japanese fishing companies, squeezed out of salmon-catching grounds in U.S., Soviet and other countries' 200-mile exclusion zones, reportedly leased their idle boats to North Korean companies under contract through Shoho Fisheries Co. in Kushiro in eastern Hokkaido last September.

Return of Detainees Sought

OW1206064990 Tokyo KYODO in English 2339 GMT 11 Jun 90

[Text] Nakhodka, USSR, June 12 KYODO—North Korean authorities have asked the Soviet Union to hand over 12 North Korean-registered fishing boats and their crew members seized while allegedly poaching last month, informed Soviet sources said on Monday.

But Soviet fishery officials said they knew nothing of the North Korean request.

Twelve fishing boats bearing North Korean insignia and with a large contingent of Japanese crew members were brought here for questioning and court trial after being seized by the Soviet coast guard for allegedly poaching salmon in open seas late last month.

The sources said Pyongyang claimed that North Korea has the court jurisdiction in the case. The two countries are negotiating over the matter and the agreement may be reached in line with the North Korean request, the sources said.

Soviet fishery officials said they had a meeting with North Korean Embassy officials in Moscow over the alleged poaching on Monday. Details of the talks, however, were not immediately known.

Moscow and Pyongyang have a general fishing agreement under which the Soviet Union reportedly holds court jurisdiction for fishing operations without permission in open seas, while the jurisdiction for operations that violate the agreement rests with North Korea.

Soviet fishery officials said there has been no request from North Korea for the handing over of the Japanese crew members and that they would not deliver the crewmen to the North Korean authorities.

Soviet Historian Discusses Korean War

SK1106050190 Moscow International Service in Korean 0900 GMT 10 Jun 90

[Second installment of "gist" of article by Soviet Historian (Boris Slavinsky), entitled "The Korean War Might Have Plunged the World Into a Catastrophe" carried by Soviet Political Weekly, NOVOYE VREMYA]

[Text] In his article, (Slavinsky) attempted to give answers to the questions: To which side was this war favorable? In other words, Was this war favorable to the United States or to the Soviet Union? and, For whose political mistake, were the lives of several million people victimized?

Now, we would like to talk about the gist of his article.

At that time, both North and South of Korea prepared for a war. The United States organized the army numbering 100,000 troops in South Korea, and armed them. Meanwhile, the Korean People's Army [KPA] was organized in North Korea. One should view that the armament of the KPA was guaranteed chiefly by the Soviet Union.

Even before 25 June 1950, various clashes took place in the border along the 38th Parallel. Unless one sees the relevant documentary materials, one cannot be sure whether or not the South Korean army deeply invaded the territory of the DPRK on 25 June 1950. In other words, one should admit that for such a case, a political

decision was necessary to order armed actions in all areas along the 38th Parallel.

According to the theory of military science, the attacking force can achieve the object it has in mind only when it has many times the superiority. Therefore, one can hardly imagine that the South Korean side, which was known to have carefully prepared for a Northward invasion, advanced to the North Korean area only for several hours and it was even exterminated first and that it retreated, giving up Seoul, in only three days after the war broke out.

Then, how can one describe the position of Pyongyang? The DPRK, which was completely dependent upon the Soviet Union economically and militarily, jointly established policies with Moscow. It seemed that Stalin, evaluating the military and political situation in the Far East, believed that the people's democratic forces could rapidly win victory through a domestic war in Korea and the reunification of North and South could be achieved.

It appears that since the Chinese People's Liberation Army smashed the Chiang Kai-shek's army, which was supported militarily by the U.S. Army, and won victory in the Chinese revolution, Stalin judged that this would also happen in Korea.

Meanwhile, the White House might have recognized that the formation of a single pro-USSR, Korean state will impose a great threat on the U.S. interest in the Asian-Pacific region. In order to avoid complete defeat of the Syngman Rhee's army, the United States had landed 50,000 Marine Corps troops armed with tanks and guns in Inchon. Numerous military aircraft and warships supported this landing operation. As the result, the KPA troops were driven into a difficult situation.

In the meantime, the United States obtained approval from the United Nations General Assembly that the UN forces can cross the 38th Parallel. Accordingly, the U.S. and South Korean armed forces waged an offensive drive and in some areas, they advanced as far as on the Chinese border.

Since hostile forces appeared in its border with Korea, Beijing could hardly reach a compromise. Accordingly, Beijing sent the Chinese People's Volunteers [CPV] Army to Korea on 25 October 1950. First it joined with the KPA troops.

As the result of fierce combats, the DPRK territories were liberated. The defeat of U.S. troops in Korea resulted in an explosion of anger in U.S. military circles.

Having worked out a so-called determination plan, MacArthur, then commander of the UN forces, insisted that combat action be moved into Chinese territory, bombing Manchuria, and the Soviet route of supplying materials to the Chinese army be blocked.

However, President Truman and other leaders of the U.S. Administration did not dare to put this dangerous plan into practice. What curbed this was the Soviet-Chinese treaty of friendship, alliance and mutual assistance. The U.S. strategists judged that the United States was not fully prepared for a full- scale war against the Soviet Union.

According to the U.S. evaluation, the number of Chinese volunteers who participated in the Korean war reached 200,000. They were armed with the most modern type of Soviet tanks and jet-aircraft.

MiG-15 fighters, which were the most superior planes at that time, appeared in the air above Korea, and were able to deal a severe blow to the enemy side. Until the Armistice Agreement was signed, this aircraft helped secure positions along the 38th Parallel.

The Armistice Agreement was signed in Korea on 27 July 1953 after nearly a 2-year long talk. Thus, the war ended practically at its starting point. Neither South Korea nor North Korea was able to reunify the nation in a military manner according to its conditions. Behind the warring countries, there were the big powers with different social systems. This meant that the exercise of power in the local military conflict, the first one after the war, brought political benefit to the neither side.

The comparison between the forces in the international arena showed that neither the Soviet Union nor the United States had power to recklessly implement the will of big powers.

The Korean war caused a rapid increase in the military expenditure in both the United States and the Soviet Union. Since that time, this local war exercised direct influence on overall aspects of the international relations and thus, the cold war between the East and West reached its peak.

According to an official report, the United States suffered 157,530 casualties from the Korean war, and the casualties of the CPV numbered 1 million. However, it was the Korean people who suffered the greatest damage. The Korean people lost 9 million people in the Korean war, and 84 percent of them were civilians.

No report about the Soviet casualties has ever been made public until now. We think it is now time to talk about this issue.

Southeast Asia & Pacific

Moscow Assesses Prospect of Cambodian Cease-Fire

BK1406041090 Moscow in Cambodian to Cambodia 1100 GMT 13 Jun 90

[Commentary by Oleg Alekseyev]

[Text] The unofficial meeting of Cambodian parties held in Tokyo from 4 to 5 June has become a new and major step in the cause of finding a comprehensive solution to the conflict in Cambodia. This view was expressed in the joint statement on the result of the talks held in Hanoi

between comrade head of the Cambodian Government Hun Sen and Comrade Vietnamese Foreign Minister Nguyen Co Thach. Our observer Comrade Oleg Alekseyev writes the following.

I would like to recall that at the meeting in Tokyo, Comrade Hun Sen and the leader of the opposing Cambodian side, Samdech Sihanouk, signed a joint statement calling for a cease-fire in Cambodia. Agreeing with the two personalities was Son Sann, leader of a moderate party on the opposing side. This is certainly an immense step on the path to finding a solution. The fact that Samdech Sihanouk and Son Sann, along with Hun Sen, have expressed their views on restoring peace in the country is evidence beyond doubt that the political stance of the Phnom Penh government is getting firmer. This is also a clear acknowledgement that the Cambodian issue cannot be solved through military means.

However, it is regrettable that Khieu Samphan, leader of the Khmer Rouge—the most ardent warmonger and most powerful group in the opposing side—has refused to sign this statement and thus showed people that he is in favor of continuing the war. Since it is the Khmer Rouge that has the best and greatest numbers of armed troops and play a leading role in this war, observers have drawn the same conclusion that it is not yet possible to talk about the end to the bloodshed in Cambodia. Presumably, as long as fighting continues, it is certainly not possible to implement in the near future political measures to set up joint power structures. Be that as it may, one has sufficient reason to hope that the situation could change for the better.

As Comrade Hun Sen and Comrade Nguyen Co Thach noted in their joint statement in Hanoi, if the agreement signed in Tokyo is supported by all countries concerned in this issue, even if the Khmer Rouge stubbornly insist on continuing the war, this agreement will inevitably materialize and be implemented. In other words, the current situation requires the international community to energetically pool its forces toward a clear goal to compel Khmer Rouge leaders to listen to reason. This kind of rally of forces has already created a political premise. In the first few days of the Tokyo meeting, concerned states most clearly stated their views for an immediate end to fighting in Cambodia. Furthermore, significant efforts to reconcile the stances of Cambodian parties for peace have been made by China. A clear stance for ending the war was expressed by Thailand.

The statement released on 5 June by Japanese Foreign Minister Nakayama has also attracted people's attention. In essence, he said Japan hopes that Beijing and Bangkok will manage to get the Khmer Rouge to align themselves with other parties involved in the conflict and end the war. It should be said that Comrade Hun Sen then stressed in Tokyo that if the Khmer Rouge agreed to a cease-fire, he saw no obstacle preventing this group from taking part in an eventual political solution. The door remains open before the Khmer Rouge, said the comrade head of the Cambodian Government.

Near East & South Asia

Iranian Deputy Oil Minister Meets Obminskiy

LD1306115990 Moscow TASS International Service in Russian 0955 GMT 13 Jun 90

[Text] Moscow, 13 Jun (TASS)—Ernest Obminskiy, USSR deputy foreign minister, on Wednesday received Hedayat-Zadeh, the first deputy minister of oil of the Islamic Republic of Iran, at his request.

An exchange of views about the present situation in the world oil market, as well as about a number of issues of mutual interest concerning economic cooperation between Iran and the USSR, took place.

Signs Oil Cooperation Agreement

LD1306115790 Tehran IRNA in English 0930 GMT 13 Jun 90

[Text] Moscow, June 13, IRNA—Tehran-Moscow cooperation in the fields of oil and gas were discussed in a Tuesday meeting of the visiting Iranian Deputy Oil Minister Majid Hedayat-Zadeh and Soviet Minister of Railways Nicolay S. Konarev.

Konarev stressed Moscow's interest in further cooperation with Iran with special emphasis on gas and oil.

Andreyev Sees Stalemate in Iran-Iraq Ties

NC0806070090 Moscow in Persian to Iran 1700 GMT 7 Jun 90

[Yuriy Andreyev commentary from "The World Today" feature]

[Text] In his news conference on 6 June, Iranian President 'Ali Akbar Hashemi-Rafsanjani stated that he is ready to meet with President Saddam Husayn for peace talks. Our commentator Yuriy Andreyev writes:

It seems that a diplomatic game which may be of significance has been taking place between Tehran and Baghdad recently. Apparently both sides are trying to emerge from the stalemate in the talks, while, at the same time, they are in no hurry to abandon their demands. Iran and Iraq sometimes take a step toward each other. And sometimes they stand still or take a step back. Thus the diplomatic poker game between Tehran and Baghdad has been going on for two months and this game is continually being [words indistinct].

As you know, the first move was made by Iraqi President Saddam Husayn, who sent a private message to the Iranian leadership on 1 May proposing ways to emerge from the crisis. Iran reacted immediately and Iran's mass media announced that a number of meetings had taken place within the Tehran leadership during which Saddam Husayn's letter was discussed. 'Ali Akbar Hashemi-Rafsanjani also spoke about signs of Baghdad's good intentions.

Thus, Tehran implied that it was ready for direct talks with the Iraqi leadership. Iraq immediately downplayed anti-Iranian propaganda in its mass media, and sent a second letter to Tehran. Reports indicate that the Iranian Foreign Ministry has responded positively to the first message, while its answer to the second letter will be sent soon.

Meanwhile, Tehran has not been hasty in expressing too much optimism and the Iranian leadership is constantly taking cautious steps, fearing that the current Iran-Iraq contacts may be aborted. It is no accident that Majlis Speaker Mehdi Karrubi stated recently that he is not personally optimistic over the outcome of the correspondence between the two countries. Mehdi Karrubi expressed regrets at the fact that Iraq's letter did not make any mention of the Algiers Accord [of 1975] which Iran considers a basis for talks.

Some time after this, Tehran implied that it disagrees with various points in the communique issued at the end of the Arab summit in Baghdad. In the view of the Islamic government, the Arab countries' stand on the solution of the Iran-Iraq conflict is not a fair one and has lessened the possibility of organizing a meeting between the two countries' leaders. The deduction from this was that Tehran is not interested in high-level talks. But it has now become obvious that this was a mere political maneuver and that the Iranian leadership was possibly (?trying to see) what Iraq's reaction would be and to thus receive specific promises from it.

At any rate, 'Ali Akbar Hashemi-Rafsanjani stated on 6 June that he is prepared to meet with Saddam Husayn for peace talks. He pointed out that, in order to ensure the success of this meeting, preliminary talks at the level of experts, coupled with consultations with the UN secretary general, should begin. Thus, the process of finding an Iran-Iraq solution has moved out of stalemate, and a meeting between the presidents of the two countries is gradually becoming a reality.

U.S. Troop Evacuation From Libya Celebrated

LD1106014190 Moscow TASS International Service in Russian 1550 GMT 10 Jun 90

[Text] Tripoli, 10 Jun (TASS)—K.F. Katushev, USSR minister of foreign economic relations, arrived in the Libyan capital today on an official visit. He was met at Tripoli's international airport by Fawsi al-Shakshuki, petroleum secretary of the people's committee of the Libyan Jamahiriyah.

The Soviet delegation, led by K.F. Katushev, will take part in the celebrations to mark the 20th anniversary of the evacuation of U.S. military bases from Libya, and will also hold talks with Libyan officials on matters of bilateral economic cooperation.

Evaluating the present state of Soviet-Libyan relations, the Libyan petroleum secretary told a TASS correspondent: "We have always said and we repeat now that relations between our countries are of a strategic kind. They are reinforced in the course of exchange visits by officials of both countries. In this connection, I would like to note the visit to the Soviet Union in 1985 by the leader of the Libyan revolution, M. al-Qadhdhafi, during which a long-term program of development of economic, scientific, technical and trade cooperation between the USSR and the Libyan Jamahiriyah was signed. We strive to use the meetings between official representatives to further deepen relations between our peoples."

"Ties of friendship and cooperation have linked us with Libya for many years", K.F. Katushev stressed for his part. "In talks with F. al-Shakshuki and other Libyan representatives, we always strive to find new opportunities to promote further development and expansion of bilateral ties. On this occasion, we have arrived in Libya on the eve of the Libyan people's great celebration, the day of the evacuation of U.S. troops. The step taken by the Libyan revolution in 1970 enabled the country to take the path of free development and the construction of its own independent country. The Soviet delegation will take part in this celebration together with our Libyan friends with great pleasure. We will also find time for business conversations with the Libyan petroleum secretary. I hope these meetings and conversations will advance us toward the development of bilateral trade, economic, and political relations."

Commentary Denounces 'Terrorism' Waged by Jibril

LD1306193690 Moscow Radio Peace and Progress in Arabic 1300 GMT 13 Jun 90

[Text] Ahmad Jibril, PFLP [Popular Front for the Liberation of Palestine] secretary general, has announced that his organization intends to attack emigrants coming from the Soviet Union to Israel. This was reported by London THE INDEPENDENT ON SUNDAY.

The newspaper recalled that a few days before that, Amnon Shahaq, director of Israeli military intelligence, warned that the Jewish emigrants coming from the Soviet Union would be exposed to terrorist attacks.

In this context, our radio correspondent Dmitriy Prakovyev wrote:

Ahmad Jibril, who was expelled from the PLO, is waging terrorism. His statement cannot be described as anything else. Every armed aggression against civilians is considered terrorism.

It seems that Ahmad Jibril intends to commit terrorist acts within the territories of the Soviet Union and other member-states of the Warsaw Pact, through which the Jews go to Israel. How could he distinguish between them and other citizens?

By the way, another terrorist organization, the Arab Resistance Front, started to implement military actions against the inhabitants of Eastern Europe who supply the Jewish emigrants with services in the field of transit.

Elements from this organization have attempted aggression against Polish diplomats; have shelled the Romanian Embassy in Beirut; and have planted explosives in an airplane belonging to Hungarian Airlines.

Naturally, the countries which these elements threaten with terrorism will not sit quietly. The Soviet Union and its partners in the Warsaw Pact have sufficient means to protect their terroritories against any armed aggression.

Commentator Dmitriy Prakovyev said: I also hope that those countries of the Middle East that give bases for military training to, and accomodate the leadership of, the extremist elements, would understand the consequences that might stem from military provocations carried out by those they support on their relations with the Eastern Bloc. Terrorism is the red line which cannot be crossed in relations with any civilized country.

Israel should also learn its lesson from the current situation. Some persons in the Israeli leadership prefer the increase of tension in relations between the Arabs and the member-countries of the Warsaw Pact. Is this of greater value for Israel, as the terrorists would at the end of the day be planning to kill its citizens? In addition to this, the Israeli leadership shoulders the responsibility for the terrorist acts implemented by radical Arab elements. Naturally, the repeated Israeli leadership's refusal to conduct negotiations with the moderate Palestinian elements, who call for a political settlement, strengthens dissidents such as Ahmad Jibril, Abu-'Abbas, or the Muslim fanatics of the Arab Resistance Front and other groups.

Undoubtedly the behavior of the terrorists and their calls are unethical, and harm the cause of the Arabs. In order to pull the carpet from under their feet, it is necessary that Israel prepare itself for negotiations with Yasir 'Arafat.

Arab Trade Group To Open Office in Moscow

LD1306112890 Moscow TASS International Service in Russian 1618 GMT 12 Jun 90

[Excerpts] Moscow, 12 Jun—TASS correspondent Vladimir Kumachev writes: The prospects for expanding and deepening trade and economic ties are being examined at the seventh session of the Arab-Soviet Chamber of Trade which opened here today. Taking part in it are representatives of Soviet foreign economic associations and industrial enterprises, and delegations from business circles in Bahrain, Egypt, Jordan, Iraq, Yemen, Lebanon, Morocco, the United Arab Emirates, Saudi Arabia, and Syria. [passage omitted]

Yuriy Bulakh proposed that the Arab-Soviet Chamber of Trade should open offices in Moscow and that cooperation between Soviet organizations and firms in Arab countries should be raised to a new level. [passage omitted]

Economic, Scientific Meeting Continues in Algeria

LD0506193190 Moscow TASS International Service in Russian 0611 GMT 5 Jun 90

[Text] Algiers, 5 June. (TASS)—The eighth session of the Soviet-Algerian intergovernmental standing Commission on Economic and Scientific and Technical Cooperation is continuing in Algiers.

Meetings of V.S. Pavlov, leader of the Soviet delegation and USSR minister of finance, with Hassan Kahlouche, the minister of industry of the APDR [Democratic and Popular Republic of Algeria], Cherif Rahmani, the minister of equipment, and Sadek Boussena, Algeria's minister of mines, took place. During the course of the conversations mutual satisfaction was expressed with the level of Soviet-Algerian cooperation as well as the mutual striving toward its further development and strengthening.

The sides also stated that the perestroyka processes now being implemented in the economies of both the USSR and the APDR were opening up new possibilities and prospects for deepening and improving bilateral links.

Nepalese Premier Bhattarai Interviewed

PM0606154090 Moscow IZVESTIYA in Russian 5 Jun 90 Morning Edition p 5

[Interview with Nepalese Prime Minister Krishna Prasad Bhattarai by TASS correspondent Dmitriy Makarov specially for IZVESTIYA, in Kathmandu: "'Political Earthquake' in the Kingdom: Interview with the Nepalese Prime Minister"; date not given; first seven paragraphs are Makarov introduction]

[Text] Kathmandu—Two years ago an astrologer of his acquaintance predicted to Krishna Prasad Bhattarai that he would become prime minister of Nepal. At the time such a prediction seemed utopian, to say the least. The Nepali Congress Party, of which K.P. Bhattarai is president, was illegal and was experiencing internal conflicts, while the then ruling Panchayat regime appeared permanently entrenched, thanks to the masses' passivity and a strong repressive apparatus. Nonetheless the prediction came true. On 7 April this year Bhattarai was released from the latest six-week spell under arrest, and only 10 days later King Birendra appointed him prime minister of a government including the leaders of the Nepali Congress and the Nepal Communist Party.

The dramatic change in the destiny of K.P. Bhattarai, who spent 14 years in prisons for his political views, reflects the drastic change in the life of the whole of Nepal—a small mountain kingdom in the central Himalayas between India and China. "Nepal was hitherto known as the only Hindu kingdom in the world where the king is deemed to be the earthly incarnation of the god Vishnu," the weekly SUNDAY DISPATCH notes. "Now it is the only monarchy in the world where there is a government in power in which communists hold important posts."

The Nepalese, who are fond of figurative expressions, call the events of recent weeks a "political earthquake," as a result of which the despotic Panchayat system of rule collapsed. All political parties, which were banned for the last 30 years, have been legalized, the puppet National Panchayat (parliament), elected on an undemocratic basis, has been disbanded, many other bodies and posts that served as props and window dressing for absolutism have been disbanded, and many articles of the constitution have been suspended.

All these changes took place under pressure from a mighty people's movement for democratic transformations, a multiparty system, justice, observance of human rights, and the elimination of the flagrant property inequality between ordinary Nepalese and the ruling clique.

A shady, poplar-lined street leads to the new prime minister's official residence in a comfortable district of Kathmandu. The searching, all-seeing eyes of Buddha are painted in bright colors on the silver gates. The residence is guarded by brave gurkhas in dress uniform, with the traditional wide-brimmed hats slightly tilted. In the days of the former incumbent, Prime Minister Marich Man Singh Shrestha, whose whereabouts are still being kept secret, it was very difficult to get past these gates. It was necessary to make your way through devious bureaucratic labyrinths and obtain consent and "passage" from a dozen offices.

The new premier has become so much more accessible to the people that the highly trained gurkha sentries find it rather uncomfortable. By 0700 hours some 200 people thronged the lawn in front of the head of government's house. There were journalists, teachers, students, trade union leaders, politicians, delegations from remote areas, ordinary peasants. And it is like that every morning. And although it is physically impossible to listen to all of them, Bhattarai invariably devotes the morning hours, before going to work, to these meetings. He has to get up at 0500.

The prime minister met me in a reception room in a "dhoti," the Indian national dress.

"I got used to this comfortable, loose clothing during my years of exile in India," K.P. Bhattarai explained. "My parents were forced to flee Nepal to escape persecution. I was born and educated in Varanasi (Benares). I graduated from the university economics faculty there. And it was there, in my student years, that I became involved in the political struggle against despotism and for democratic changes in Nepal. As a result of the 1950-1951 revolution we restored power to the king, and a constitutional monarchy began to develop in the country. In the 1959 general elections the Nepali Congress was victorious, and received the right to form a government. I was speaker of the first democratically elected parliament of Nepal. But the experiment with multiparty parliamentary democracy lasted only 18 months. King Mahendra staged a coup, banned all parties, dissolved parliament and the government, and put many political leaders behind bars. I spent nine and a half years in prison, and was then forced to emigrate to India again. Then prison in Nepal again."

[Makarov] How many people died in the movement to restore democracy? And how many people were killed on "Black Friday," 6 April—the day that the movement's fate was decided and the authorities were forced to make concessions?

[Bhattarai] We do not yet have documentary evidence. Accurate figures will only be available when the names of everyone who died and everyone who was injured become known. According to preliminary government figures, throughout the period of the movement some 500 people died in the country. On Friday 6 April about 100 people were killed and more than 400 injured in Kathmandu. The army and police opened random panic fire, having decided that the demonstrators were planning to storm the royal palace.

[Makarov] What is the situation in the country today, and what steps are being take to restore and maintain the rule of law and order?

[Bhattarai] The situation is improving now. This is indicated by the lifting of the curfew in Kathmandu. The army and police are cooperating fully with our government. We were forced to impose a curfew because of the sorties by the so-called "gundas" [as transliterated]. These are gangs of terrorist mercenaries who were carrying out raids and arson attacks, provoking clashes, and killing people on their masters' instructions. They operated particularly brazenly at night. The "gundas" were hired and financed by the national council for sport. Many of the gangsters are sportsmen trained in unarmed combat techniques, or simply criminals. We recently disbanded the council, and I think the threat from the "gundas" will soon disappear. Ensuring peace, the rule of law, order, and security for the population—that is the most urgent problem at the moment. But as a provisional, transitional government we also face two other very important tasks—to compile draft amendments to the constitution, and within a year to prepare for the holding of general elections on a multiparty basis. After the introduction of constitutional amendments the path to free elections will be open. And I hope to become prime minister again. You have no objection? (Bhattarai said, and laughed at his own joke).

[Makarov] What, in your view, are the most acute economic and social problems in the country, and what urgent measures are needed to resolve them?

[Bhattarai] At present it is necessary to improve trade relations with India as quickly as possible. The sharp rise in prices began after these relations came to a halt and the term of validity of agreements on trade and transit expired. That happened on 23 March last year. We are asking India provisionally, that is, until the signing of new agreements, to restore the accords that were in force. That will enable us to reduce prices for basic consumer

goods by approximately 30 percent, and will alleviate the situation for the population.

[Makarov] So the main aim of your forthcoming visit to Delhi is to reach an agreement on the restoration of the agreements that were in force until 23 March 1989?

[Bhattarai] Yes. But there are also other pressing problems that must be discussed. The Indian side expects certain concrete guarantees from us with regard to questions of Indian security.

[Makarov] What were the most important factors leading to the movement's victory?

[Bhattarai] The people's dissatisfaction with the rotten Panchayat system, which was wallowing in bribery and corruption. Total impunity and permissiveness for everyone who supported that system, and no rights, defenselessness, and helplessness for those who opposed it. The most important guarantee of success was the alliance between the Nepali Congress and the United Left Front, which seven Nepal Communist Party groupings joined. The flagrant violations of human rights in Nepal ensured support for the movement from the world public. That is an important external factor. The mass media in many countries, including the USSR, described the bloody events in Nepal and the firing on peaceful demonstrations. An important boost to start the movement was provided by the democratic transformations in the USSR, the popularity of the Soviet leadership's policy of glasnost and perestroyka, and the changes in Eastern Europe. The democratic processes taking place throughout the world roused the Nepalese people. The deterioration in relations with India also played a part. It led to spiralling prices, unemployment, shortages of many essential goods, and an increase in dissatisfaction among the population.

[Makarov] Is your government experiencing difficulties with the massive bureaucratic apparatus that was set up under the Panchayat system and is used to operating according to its traditions? Are there attempts to sabotage government decisions?

[Bhattarai] No one is coming out openly against our government. Even the former prime minister and his "team," who tried to suppress the movement, are today declaring full support for a multiparty democracy. But some civil servants are surreptitiously trying to hamper us. We will replace them. There is no alternative.

[Makarov] How do you assess Soviet-Nepalese relations?

[Bhattarai] Our ties have in recent years experienced a kind of "period of stagnation," in my view. We are in favor of strengthening friendship and cooperation with the Soviet Union. We want to develop economic, trade, cultural, and scientific ties with your country. We value highly and support the USSR's peace-loving foreign policy and all the initiatives aimed at disarmament, the elimination of nuclear arsenals, and the strengthening of confidence and mutual understanding between peoples. This is a great policy. Some 18 months ago in one of his speeches Nepali Congress leader Ganesh Man Singh described M.S. Gorbachev as one of the greatest political figures of the 20th century. In recent years the Soviet Union's prestige has risen throughout the world, so Moscow should play a more important role in all world politics.

India's Gujral Hosts Talks on Expanding Ties

LD0906210190 Moscow TASS International Service in Russian 1614 GMT 8 Jun 90

[Text] Delhi, 8 Jun (TASS)—I.K. Gujral, India's minister of external affairs, today received N.I. Kozyrev, Soviet special representative and ambassador extraordinary, who has come here to brief the Indian Government on the results of the Soviet-U.S. summit.

During a conversation that took place in a friendly atmosphere, both sides noted the huge positive significance for the destiny of mankind of the entire set of problems discussed by the USSR and U.S. presidents in Washington.

I.K. Gujral noted the coincidence and proximity of the approaches of the USSR and India on the majority of international problems. During the conversation, there was a discussion of the situation around Afghanistan and the conflict in Kashmir.

The sides spoke in favor of further strengthening and expanding all areas of Soviet-Indian cooperation based on the traditional friendship between the Soviet and Indian peoples.

V.F. Isakov, USSR ambassador to India, took part in the conversation.

On 7 June, a meeting between N.I. Kozyrev and M. Dubey, first deputy minister of external affairs took place in Delhi. A wide range of international problems was discussed, including the results of M.S. Gorbachev's and G. Bush's talks on disarmament.

On 8 June at India's Ministry of External Affairs, Soviet-Indian consultations were held on matters of an Afghan settlement. The consultations were conducted by N.I. Kozyrev, ambassador at large, and (N. Dayal), head of the Pakistan and Afghanistan Department of the Indian Ministry of External Affairs.

Sub-Saharan Africa

U.S. Summit Implications for Africa Noted

MB0706203290 Moscow in English to Southern Africa 1900 GMT 6 Jun 90

[Andrey Dolgov commentary—read by announcer]

[Text] Soviet President Mikhail Gorbachev has returned from a visit to the United States.

The Washington summit has been fruitful. The talks between the leaders of the two great powers promise new, positive changes in their bilateral relations and in solving many international problems.

What can Africa expect from the result of the summit?

Our observer, Andrey Dolgov, answers the question:

I would say, he writes, that for Africa, as well as for other parts of the world, the very approach of the two presidents towards such meetings and the solution of issues under discussion is significant.

Both leaders have demonstrated an example how to use dialogue and political means to seek and find ways to close the positions which, only recently, seemed diametrically opposite.

With all the remaining differences and contradictions, the dialogue has proved much more productive than confrontation. This is becoming increasingly clear to all people in the world, including Africa.

Another angle for Africans to pin their hopes on is arms cuts and better international security. The less is spent on armaments in the world, the more stable is peace, the more is left for combating backwardness, famine, poverty and disease.

Africa has all those problems, even to a higher degree than any other continent. Therefore, the measures agreed in Washington on substantial cuts in mass destruction weapons and accelerating talks on conventional arms in Europe, (?also) phasing out nuclear tests, generate hope in the developing countries for some of the released funds to be used as relief for the Third World.

The example set by the Soviet Union and the United States should, of course, be followed by other countries having large armies and great stockpiles of arms. African countries are also spending quite a lot on those purposes, so they should also follow suit.

For (?future) interaction between nations and states, the best starting point is the observation by President Gorbachev: The Cold War has been left behind, and there is no sense in arguing who has won it. The Cold War resulted in a confrontation of the two systems in Africa, too, and nothing good followed from that for its people. On the contrary, good results were immediate wherever confrontation had been replaced by dialogue.

The best example is Namibia. Fighting had been going on for years for the independence of that country. It is hard to say how longer it would continue, unless the search for peace in that area had not been joined by the Soviet Union and the United States. With their help, an agreement was signed on a settlement in that area in late 1988, and still another year later Namibia became independent.

The preference of political means to solving disputes has yielded its first fruits in southern Africa. Nelson Mandela and his fellow antiapartheid fighters have obtained freedom. The African National Congress and other progressive organizations have been legalized. The South African Government has opted for reforms that should have the logical consequences in a democratic, nonracial society.

Those reforms are still inconsistent and contradictory, and the black population of South Africa still needs an active support of the world community to obtain their full rights. The Soviet Union and the United States have an important role to play in that process. The secretary general of the Organization of African Unity, Salim Ahmed Salim, expressed hope, before the Washington summit, that Moscow and Washington should keep up their stand against apartheid.

The Soviet Union and the United States are moving from confrontation, through rivalry, to cooperation. This has been reflected in their communique on Ethiopia, published during the summit meaning. The two leaders expressed their intention to give practical aid to that country to overcome its problems. Specific measures are being planned to deliver food supplies to the famine stricken people in northern Ethiopia. Their suffering is made still worse by continued fighting between the government troops and Eritrean rebels. The Soviet Union and the United States have expressed support for holding an international conference, sponsored by the United Nations, to settle the conflict situation in the horn of Africa.

The Soviet-American summit has shown that partnership in the relations of the two superpowers brings stability for the developing countries and lessens the threat of war for them. They have better prospects of development as a result and, hence, a better basis for building a happy life for themselves.

U.S. Asked To Aid Soviet Liberia Evacuation

LD0706131590 Moscow Television Service in Russian 1200 GMT 7 Jun 90

[From "The International Program"]

[Text] The Soviet Union has addressed a request to the United States to give help in evacuating Soviet citizens from Liberia, where a civil war is taking place.

Ethiopia Takes Issue With IZVESTIYA

PM3105082490 Moscow IZVESTIYA in Russian 26 May 90 Morning Edition p 7

[Letter from the Ethiopian Embassy in the USSR, under the rubric "From the International Desks' Mail": "Letter From the Ethiopian Embassy"]

[Text] IZVESTIYA No. 89 published an article by G. Ustinov, the newspaper's correspondent in Addis Ababa, headed "The Ethiopian Version." In this article the

author deals mainly with aspects of military ties between the two countries. We would like to comment on some of the problems touched on in this article.

The separatist war being waged in the northern part of our country was not deliberately provoked, as Ustinov asserts, but is coordinated and managed by Ethiopia's enemies.

We are sure that Soviet people know about our attempts to prevent war in the northern part of the country, and to settle it by peaceful means. The viewpoint of the world could be extremely favorable for the successful culmination of these events, and could help to persuade the separatists that their goals cannot be achieved by military means and that a desire to seek suitable political solutions is needed. So if journalists describe events objectively, that will be a great contribution to the peaceful resolution of the question. But anyone who exacerbates the problem by offering incorrect evidence instead of talking about the desire to settle the conflict and live in peace on terms of mutual cooperation with the littoral countries will never do those who are suffering any good. The consequences could also affect others, too.

For instance, taking into account the occupation of Egypt by Israel, Ethiopia broke off diplomatic relations with Israel in accordance with the OAU decision. Now that the situation has improved, Ethiopia has resumed diplomatic relations with Israel. This decision not only prompted unfriendly comments in some circles, but also led to the stepping up of attacks on Ethiopia by certain Arab countries. Ustinov's claim in IZVESTIYA that Israel gained from the sale of 100,000 Kalashnikov submachineguns seized by it during the war in Egypt is not only unsubstantiated, but could, in our view, fuel the flames of the anti-Ethiopian propaganda that we mentioned above.

Ustinov is also a long way away from the truth when he claims that concerning the withdrawal of the Cuban troops who came to Ethiopia at a critical time to give support during the Somali invasion, the Ethiopian Army could not use its weapons, and this supposedly led to a stepping up of military operations by the separatists. Cuban troops never took part in our military operations with the separatists in the north.

We feel that Ustinov is looking at the link between our two countries solely on the basis of weapons deliveries and military cooperation. In fact, friendly relations between the USSR and Ethiopia are gaining strength on a more durable basis. The link and cooperation between nations should always be based on mutual interests, and should not contradict each other. It is hard to justify a friendship based on short-term mercantile interests. Our country, despite numerous instances of aggression from outside, has never stopped fighting for peace, for the improvement of people's living standard and their advancement along the path of progress, and for international good-neighborly cooperation. Our link with the USSR and other friendly countries is based not only on charity, but also on mutual economic support. We may be temporarily limited in our resources, but nonetheless our relations are founded on the constant desire to pay our debt in accordance with the existing agreement. We are confident that the political, economic, and cultural basis of Soviet-Ethiopian relations is durable. We believe that if writers and researchers are honest in their work, they can make a due contribution to history. Work based on insufficiently truthful material will serve neither history nor those who are engaged in studying it.

[Signed] The Embassy of the People's Democratic Republic of Ethiopia in the USSR.

Media Criticized on Anti-Ethiopian Propaganda

EA0306163490 Moscow International Service in Amharic 1530 GMT 28 May 90

[From the "Africa As We See It" program]

[Text] Recently, strong criticism has come to light in the Soviet media on the USSR's relations with various developing countries. One of the criticisms is that recently published by the Addis Ababa based IZVESTIYA reporter, Gennadiy Ustinov. The criticism centers on Ethiopian-Soviet relations. The Ethiopian Embassy in the USSR has given a reply to the report. A letter from the embassy was published by IZVESTIYA in its Friday issue. We will look briefly at the contents of this letter.

Gennadiy Ustinov focused in his report mainly on the military relations between Ethiopia and the USSR. The Ethiopian Embassy expressed its disagreement with the letter and added that the secessionist war going on in the northern part of Ethiopia was coordinated and spearheaded by the enemies of the country. The Ethiopian Embassy in Moscow recalled the numerous attempts by the Ethiopian Government to resolve the war in the northern part of the country through peaceful means and criticized the article of the IZVESTIYA reporter, saying that it did not contain correct information. It also pointed out that the information given by the Soviet reporter was debatable.

The Ethiopian Embassy supported its criticism with evidence, saying that the reporter had stated that Israel had sold Ethiopia 100,000 Kalashnikov automatic rifles, which had been captured from Egypt. The embassy noted that this is an irresponsible statement which adds fuel to the fire of anti-Ethiopian propaganda.

The Ethiopian Embassy in Moscow stressed that it is not appropriate to see relations between the USSR and Ethiopia solely in terms of arms supplies and military cooperation. It noted that the friendly relations between the USSR and Ethiopia were laid on foundations which were stronger than that.

The embassy further stated that relations between countries should be based on mutual benefit. Friendship,

which is not laid on strong foundations, cannot be expected to bear fruit. Although Ethiopia is a country against which foreign attacks had been repeatedly launched, it has never desisted from struggling for peace, for the well-being of its people, and for development.

The Ethiopian Embassy in Moscow further noted that Ethiopia's friendly relations with the USSR and other countries were based not on charity but on mutual economic cooperation. The embassy added that although we might not have enough wealth at the moment, we are trying to repay our debts continuously, on the basis of our agreements. We believe the political, economic and cultural relations between the USSR and Ethiopia are strong.

The Ethiopian Embassy in Moscow further stressed in its letter that authors and researchers, if they are genuine in their work, can make a great contribution to history. However, work based on false information cannot benefit either history or the researcher himself.

We can agree with the last part of the letter. We believe IZVESTIYA will reply to the letter from the Ethiopian Embassy.

If errors have been made in the article written by the reporter, he should apologize or else confirm the correct available information, and this is the responsibility of the editorial section of the newspaper.

Esteemed listeners, we shall try in future to familiarize you with all the articles published in Soviet newspapers on Soviet relations with developing countries, be they favorable or critical.

Situation in Ethiopia 'Seriously' Examined

EA1306124990 Moscow International Service in Amharic 1530 GMT 11 Jun 90

[Text] The international press is seriously examining the results of the talks between Mengistu Haile Mariam, the Ethiopian president, Gouled Aptidon, the Djibouti president, and Daniel arap Moi, the Kenyan president. The aim of the talks is to organize a continental conference to discuss ways of stabilizing the situation in the Horn of Africa. According to diplomatic sources, the principle of convening such a meeting was accepted during the talks. However, Mengistu Haile Mariam said in a statement that he would insist that direct peace talks be held between the Eritrean opposition forces and the Ethiopian Government during the proposed conference. Here is a commentary on the issue:

It is believed that the conference could provide a new impetus to the efforts being made to bring peace to the unstable region in general and war-ravaged Ethiopia in particular. Much effort has been made during the past years, months, and weeks, to find a political solution to the problem. Some of the facts known to our listeners make it very clear that various efforts were made to stop the war between the central government and the rebel groups. For example, last September in Atlanta, and then in Nairobi, talks were held between the government and the Eritrean People's Liberation Front [EPLF] delegations. Three rounds of talks were held with the Tigray People's Liberation Front [TPLF] in Rome. It will also be recalled that government representatives held talks with Eritrean secessionists in Sanaa. The recent joint communique issued by the Soviet and U.S. Presidents will greatly contribute to the effort to end the war.

We would like to remind you that a meeting of six opposition groups was held in Washington on 30 March. Participating were delegates from the Ethiopian People's Democratic Movement and its allies, the TPLF, the Ethiopian Democratic Union, the Ethiopian People's Revolutionary Party, and the All-Ethiopia Socialist Movement. Although these groups voiced differing views on certain issues, they all called for an end to the war in Eritrea. They said Ethiopian unity should be respected, but could not be achieved by armed struggle, that all problems should be politically and peacefully resolved and that the civil war should end. The EPLF was not represented at this conference and [words indistinct].

The Washington conference, beside being indicative of the opposition parties' desire to cooperate, also revealed that the EPLF, the strongest group aided by a number of Arab countries, wants to perpetuate war adventurism in the country, thus showing its stubbornness. That these characteristics are shared by the EPLF is indicated by its recent statement warning that if U.S. food aid was transported on Soviet aircraft, its Armed Forces would attack them. In saying this the EPLF revealed its true nature. Having earlier accused the Ethiopian Government of obstructing the distribution of food aid to drought victims, the EPLF itself now seems poised to perpetrate the same atrocity. As is well known, about 1 million people, including refugees, are surrounded and about to starve to death in Asmera.

The Ethiopian Government has changed course by allowing the free passage of food through Mitsiwa port, which is held by the EPLF, as well as by accepting the participation of the United Nations as observers at the peace talks. However, while this served to pave the way for a resumption of the peace talks and the end of the war, after the Ethiopian Foreign Ministry issued the statement carrying the good news aircraft of the Ethiopian Air Force flew over Mitsiwa. During Mengistu's meeting with Daniel arap Moi, Tesfaye Dinka, the Ethiopian foreign minister, stated that a cease-fire was not an essential pre-condition for the resumption of peace talks with the Eritrean rebel forces.

Thus, while the international community is making a concerted effort to save the lives of over 4.5 million Ethiopian nationals, the conflicting parties in the country are trying to tilt the military balance in their favor. If aircraft transporting food aid are shot down and

ships carrying food aid are bombed when they dock at Mitsiwa, how are the starving Ethiopians going to be helped?

Afro-Asian Committee Hosts South African Leader

MB1306183290 Moscow in English to Southern Africa 1900 GMT 12 Jun 90

[Text] Wynand Malan, one of the leaders of the South African Democratic Party, who arrived in the Soviet Union at the invitation of the Soviet Afro-Asian Solidarity Committee, has given a press conference at the Moscow committee.

The press conference immediately got into the limelight of public attention, attracting journalists from TASS, NOVOSTI Press Agency, the State Committee for Radio and Television, and other Soviet media.

Wynand Malan said he was satisfied with the course pursued by the government of Frederik de Klerk from 2 February 1990, the legalization of the African National Congress and the South African Communist Party, and an easing of the state of emergency in the country. Mr. Malan spoke highly of Nelson Mandela's and President de Klerk's visits to various countries of the world, noting their significance in acquainting the world public with a variety of viewpoints on a whole range of political issues.

Mr. Malan said, in particular:

[Begin Malan recording] We have our opposition to some to the approaches of the government still: the group (?thing), which have not shifted fully to a national question, but is still the power of the [word indistinct] second, on the economic (?extremes), the government takes the line which is highly free market, protection of existing (?privilege) and existing assets, whereas we are talking of redistribution of wealth, the kind of social market economy where the people can get involved. There must be some active redistribution; at the same time, there must be a development of markets. It is a balanced economy which we need [words indistinct] but as the development [word indistinct] we must assume the end, in a sense, of the apartheid era. This will be the last (?few little kicks) of a dying system. We will soon, within in the next year or 18 months, (?enter into) formal negotiations, hopefully multiparty negotiations, and we will establish democracy with some protection and some [word indistinct] for culture, language, religion or whatever, but it won't be group based; it will be a real democracy. [end recording]

East Europe

Reportage, Comment on Protests in Romania

NSF Leader Iliescu Studied

PM1306104790 Moscow PRAVDA in Russian 12 Jun 90 Second Edition p 5

[Own correspondent V. Vedrashko dispatch under the rubric "Leader Portrait": "Ion Iliescu"]

[Text] Bucharest—Ion Iliescu, leader of the National Salvation Front, became Romanian president 30 May as a result of the first free elections in the country's postwar history.

He was born into the family of a communist underground worker in 1930. In his youth he headed a democratic movement among schoolchildren and students. In 1946 he was elected first secretary of the Romanian Union of Young Working People. He studied in the USSR. After returning home he was elected first secretary of the Union of Communist Youth Central Committee and minister for youth affairs. He worked as Romanian Communist Party Central Committee secretary for propaganda questions.

I. Iliescu's critical assessment of the real state of affairs in the propaganda sphere displeased party leader N. Ceausescu. Iliescu was given a new job—as secretary for propaganda in Iasi. He was then transferred to Timisoara. At the traditional mass rallies organized to honor the general secretary, Iliescu preferred to talk more about the party's role than about the merits of Nicolae Ceausescu and his wife—which drew down on him the wrath of the "holy couple."

Recalled to the capital, he was appointed chairman of the State Committee for Water Resources. But the views of the now-president immediately differed from the edicts from "on high." During a discussion on the progress of the large-scale hydrotechnical work on the Arges River Iliescu unambiguously advocated giving priority to the assessments and conclusions of specialists rather than to Ceausescu's directives. He was then transferred to the post of director of the Bucharest Scientific and Technical Literature Publishing House, where Ion Iliescu worked until the popular uprising.

Iliescu first appeared on the TV at around 1500 on 22 December 1989, after the TV center had fallen into the people's hands. "Esteemed comrades, friends, and citizens! I am just as excited as all the citizens of this country, which is currently going through an exceptional time..." Now, looking back at that day again and again, you can see that the features of a political leader made this man stand out among the many dozens milling about the studio.

He became leader of the Romanian revolution. Two hours later the appeal from the National Salvation Committee—a document of program importance defining the strategic thrust of Romania's future development—was written, adopted, and publicized.

The democratization process opened up the opportunity for any opinions to be expressed, and Iliescu more than anyone else during the election campaign had categorical and sometimes incorrect statements made about him. The major and most widespread "charge" was that he belonged to the former party nomenklatura. But serious critics deploy their arguments in the area of economic, political, and social polemics. They believe that the reforms proposed by the Romanian leader are doomed

to be stopgap measures. Iliescu, however, advocates gradual transformations and emphasizes maximum protection for working people from the inevitable difficulties associated with the transitional period on the road to a market economy.

The following feature is also substantive: This politician knows how to honestly admit his mistakes. Here is what Iliescu himself said in a recent interview:

"I've made many mistakes. The main one was the concession to extremists on 12 January, when, under pressure from a demonstration, a decree banning the Communist Party was announced. This had to be withdrawn a few days later."

Romanians believe Ion Iliescu. His popularity is high, despite the attacks by his rivals. In his work the new president will have to take account every day of the fact that his main task is to maintain the atmosphere of national consensus currently prevailing in the country. Indeed, Ion Iliescu himself can be seen as a person who has succeeded, under the highly difficult conditions of constantly waxing and waning tension in the state, in uniting the people to renew the country.

'Extremists' Challenge Leaders

PM1306151590 Moscow IZVESTIYA in Russian 13 Jun 90 Morning Edition p 5

[Own correspondent V. Volodin dispatch: "Romania: Extremists' Reminder of Their Existence"]

[Text] Bucharest—The silence that fell upon Bucharest after the end of the free elections proved deceptive. Once again on 11 June the skies over the Romanian capital were rent by the roar of patrolling helicopters, trucks carrying soldiers and police racing through its avenues toward Victory Square, and armored personnel carriers rumbled by. Troops in pale blue helmets inscribed "Police" and special detachments in variegated camouflage uniform stood guard over the government residence, in front of which a small but very resolute crowd was making a lot of noise and chanting "Down with Iliescu!" and "Prison for Chitac!" (leader of the Interior Ministry—V.V.).

The thing is that, according to an accord reached Monday, talks should have taken place between the demonstrators, who have now been blockading University Square for six weeks, and representatives of the government. It should be pointed out that there has recently been a considerable drop in the number of "blockaders" there, and the government, by agreeing to talks with them, was probably reckoning on persuading those who remained to leave the square. However, it is obvious that the main issue of the dialogue concerned the ending of the hunger strike which a number of people have been maintaining in a tent city pitched on the trampled grass alongside the National Theater.

These people, who have taken extreme measures, accuse Iliescu, the legitimately elected president of Romania, of supposedly carrying out a coup d'etat in December, pursuing a policy of neocommunism, and arranging for the usurpation of state power by the NSF [National Salvation Front]. They laid down as the condition for ending the hunger strike the opening of a free television channel. The demonstrators' demand coincided with the government's decision to open several television channels at once in the very near future, including a private one—which enabled the contracting parties to sign a protocol on ending the hunger strike.

However, despite the agreement reached, the latest attempt by the authorities to sit around the negotiating table once again ended in failure. As previously, the absence of journalists at the talks aroused the demonstrators' displeasure, and the demands made by them, as the communique pointed out, went beyond the government's powers. What is more, a noisy pressure group (approximately 200 people) attempted to force their way into the residence during the talks.

The extremists' actions obliged soldiers and the police to drive them back. During this operation many representatives of the law and order forces were subjected to gross insults, including physical ones. Policemen were shouted at: "Murderers! You shot us after 22 December!" Of course, it was pointless to try to talk with anyone in this extremely excited crowd. Nevertheless, I attempted to ascertain from one bearded guy just what their demands were. I heard something I have heard many times before: "For 40 years the Russians nibbled at Romania and are doing the same now because they have nothing to eat at home!" Another guy informed me that he was ready to dynamite the residence and that people in the country had already begun to manufacture weapons against "the criminals ensconced in the government."

I will not venture to judge how serious my chance interlocutor's statements were. In my view, however, they reflect the mood of a certain section of people who cannot accept the victory of the NSF and Iliescu in free elections. The new Romanian Government which is to be formed in the next few days will have very serious political concerns in addition to complex economic ones.

I went to University Square in the evening after the demonstrators had withdrawn from the government residence, which was surrounded by a cordon of troops. On the platform there, with not so dense crowd clustered around it as was the case before the elections, it was once again being given out that "Iliescu has been bought by Moscow."

That same evening a communique disseminated in the name of the Romanian leadership pointed out that the government is resolutely inclined to put a stop to all illegal acts of violence like the one that occurred in Victory Square in accordance with the country's laws in order to protect the young Romanian democracy's right to exist.

'Coup Attempt' Leaves 4 Dead

LD1406042590 Moscow TASS in English 0422 GMT 14 Jun 90

[Text] Bucharest June 14 TASS—Romanian troops secured key buildings in Bucharest early on Thursday after a 24-hour coup attempt by fascist elements during which four people were killed in street violence, the REUTERS news agency reported, citing Romanian Government sources.

A Defence Ministry statement said troops had cleared anti-government protesters from around a state television station, the Interior Ministry, a radio station, the government headquarters and a telephone station.

The action followed a government statement, in which it said it was going to clamp down on "extremist forces" that attacked the Interior Ministry, the Bucharest police headquarters and several other government buildings.

About 2:00 today, troops in riot gear disembarked from armoured vehicles and charged anti-government protesters, forcing them to retreat from the Interior Ministry.

Fighting then moved on to Bucharest's central street as a line of soldiers supported by an armoured personnel carrier opened warning fire to disperse the demonstrators. They fled, seeking cover behind houses and inside buildings. Several minutes later protesters charged back, attacking troops.

Ninety-three people were hospitalised, including four in serious condition, and four killed in the fighting on Thursday, according to the Romanian Health Ministry.

Police Restore Order

LD1406082190 Moscow TASS in English 0812 GMT 14 Jun 90

[By TASS correspondent Vasiliy Arbekov]

[Text] Bucharest June 14 TASS—The police regained full control over the situation in Bucharest only this morning. During the night nearly 10,000 miners had arrived from Valea Jiului and other regions of the country. In conjunction with the police and troops they cleared rioters out of University Square, the television centre, the Interior Ministry, the City Police Headquarters and some other places.

Bucharest's central streets are blocked with barricades of burnt cars and buses. Volunteer groups of workers armed with sticks and iron rods are inspecting all cars. Clashes continue to flare up between workers and demonstrators in some city areas.

At dawn, groups of miners and workers blocked the headquarters of the National Liberal and National Taranesc, Christian and Democratic parties, as well as the offices of political movements that had organised the marathon vigil in University Square. Pieces of furniture and other things were hurled out of windows and burned immediately. Fires started in some buildings.

President Ion Iliescu addressed miners from the balcony of the Government House in Victoria Square in the night. He thanked them for solidarity and assistance in restoring order in Bucharest. He called upon them to help end the violence and bloodshed.

The National Salvation Front addressed the population, calling for joining efforts to protect democracy and revolutionary ideals and ensure conditions for a return to normal life in the capital.

Collapse of Romanian Communist Party Analyzed

PM1106101790 Moscow PRAVDA in Russian 8 Jun 90 Second Edition p 5

[Report by PRAVDA special correspondents V. Vedrashko and A. Sharyy: "In Search of Solid Support"]

[Text] Bucharest—The Romanian revolution swept the 4 million-strong Communist Party from the political arena overnight and seemingly did everything to ensure that as little remained of the recent past as possible. The old complex, multi-tiered pyramid propping up one-man authority collapsed.

Just one abortive attempt to revive what in fact no longer existed was made in the initial days of the revolution. A report appeared in the press about an "action group's" intention to convene an extraordinary congress of the RCP [Romanian Communist Party] for the purpose of officially disbanding the party. But it was already too late and no delegates could be found.

The Communist Party ceased to exist, but its millions of members remained. In the long list of new political organizations you may not even now find a party that aims to build socialism, and, unfortunately, there are few people here with whom one could talk about Marxism—for much too long an arbitrary interpretation of it, under cover of which lawless acts were carried out in the country, was imposed on Romanians.

What has become of the former Communists? Many are confused, embittered, or simply frightened. Some believe that Moscow should intervene to "establish order." Such things have happened in the past. Some are hoping that the party will rise again from the ashes. But are miracles possible? Representatives of the old revolutionary guard piously believe in socialist ideals and do not see rebirth as a miracle of any kind. But certain people were instantly reborn—as zealously as they yesterday celebrated one set of ideals, they are now glorifying others. Some former members of the RCP have given up their political careers. There are also many, however, who have dispersed to all manner of newly formed parties.

The National Salvation Front [NSF], whose program contained elements of so-called "humane socialism," came to power. This center-left platform, even in a

Romania infected by the virus of anticommunism, ensured that the Front secured extensive support at the recent parliamentary elections. There are also former Communists among the NSF supporters, which, of course, by no means signifies the existence of any continuity between the RCP and the country's new leadership. Incidentally, this has been repeatedly stressed by the Front leaders in an attempt to guard against attacks from the radically minded press. "As a result of the 'mysterious' disappearance of the RCP in Romania the political process was cleverly falsified and in the end did not lead to the removal of Communists from the country's leadership," the paper ROMANIA LIBERA, for example, wrote. "The ranks of the NSF were filled by the majority of the political, administrative, and professional elite, who saw the Front as their salvation in the face of the anticommunist forces' offensive."

Let us leave such far-reaching conclusions to the writer's conscience and merely mention that now that people are able to exercise their own discretion in choosing their political sympathies it is not uncommon to find a former RCP member in the ranks of the National Peasant Party, among the members of the Democratic Center Group, and even on the "right flank"—with the National Liberals.

For a while the Front tried to secure the status of a broad political movement. But in present-day Romanian conditions this proved impossible: The program's lack of clarity meant that the small, unseaworthy boats of political formations of various hues from time to time sailed away from the mighty hulk of the "Front ship," which had reached cruising speed during the election campaign. Some, enticed by the idea of an instant switch to a market economy, turned to the Liberals and Christian Democrats, but there also those who have kept more to the left.

The disappearance of the biggest Communist Party in Eastern Europe is not just a political phenomenon. It involves thousands and thousands of shattered lives. The long-standing monopoly on power gave rise to careerism and corrupted notions of morality. The inevitable question, of course, is: If there had been a healthy nucleus in the RCP, could what happened to the country have happened?

"Did anyone actually clap eyes on Romanian communism?" Bucharest engineer Gheorghe Scherban smiled grimly. "Didn't someone steal this ideology, utilizing it to get rich, pursuing goals which have nothing to do with socialism, let alone with communism? If one is talking about people who champion an idea and not making judgments on the basis of formal membership of a party, then there were far fewer communists in Romania than party cards."

The turbulent process of the formation of political organizations began in the country at the end of January, after the registration of the Front as a party. Gheorghe Scherban also joined one of the new parties—the Democratic Labor Party.

"The basic principles of our ideological concept are total separation of powers in the state and the creation of a genuine multiparty system to ensure democracy and encourage competence."

Chairman Radu Dobrescu acquainted us with the Democratic Labor Party's platform:

"We believe that economic, not political activities should be carried out at enterprises. We would like to combine the party's political work with trade union activities and therefore try to strengthen our influence in production."

"So your party is a workers party?"

"One cannot talk at the moment of a party that firmly espouses working class positions. We base ourselves on a broad concept of labor as the foundation of the production of material and spiritual wealth. Indeed, both the teacher and the lathe operator should be skilled working people, and the fitter and peasant need to be as competent as the university professor. Our party membership includes workers, deputy ministers, and doctors."

"But what 'color' is your party?"

"We are realistic," Scherban replied. "Economic reforms must be conducted in stages, without causing social tension. Total privatization is by no means essential if one wants economic recovery: One should begin privatization at small enterprises, placing them in the hands of private owners. Only then is it possible to give back to people the entrepreneurial skills they have lost. We see the problem of increasing economic efficiency and preserving of social guarantees as interconnected. Hence our party's general orientation—the left part of the political 'center.'"

"Obviously, it is simply impossible to adopt a more left-wing position at the moment..."

"There is no point in getting involved in exact political definitions. That is not the point. It is all extremely confused. For instance, the social democrats, traditionally left-wing in world political practice, have formed a bloc in Romania with the right-wing 'historical' parties acting against the Front."

"In what way do you part company with the NSF?"

"At the moment the country is at the beginning of a road no one has traveled before. Therefore we believe that the time has not come for long-term platforms. The correct thing is to move ahead on the basis of short-term platforms. Far-reaching forecasts should not be made. It is better to devise concrete plans on the basis of results achieved at the previous stage."

"But there must be a general strategy?"

"Our aim is to build a society in which genuine democracy is established and labor is the source of all good things."

"At the parliamentary elections, as far as we know, the Democratic Labor Party was not particularly successful."

"That was only to be expected," Dobrescu shrugged. "After all, we only had three months. We only managed to make our existence known in the big cities. We did not have financial backing from abroad or preferential access to the media."

Naturally, one cannot say definitely at the moment what the future holds for the Democratic Labor Party. Its leaders' arguments appear convincing and its goals realistic. But we have written about the Democratic Labor Party not because the party is a significant political force. What interests us is something else. Where can people go if ideas of the humane reorganization of society on the basis of socialist principles have not lost their meaning for them? It does not matter what they call themselves. No matter how strong the disappointment is after such an abrupt historical change of direction, a new, creative interpretation of a theory which has the backing of millions of people is bound to bear fruit.

Bulgaria in 'Acute Crisis' as Elections Unfold

PM1306161990 Moscow PRAVDA in Russian 13 Jun 90 First Edition p 1

[Special correspondents L. Zhmyrev and A. Krushinskiy dispatch under "Abroad" rubric: "The Streets Are Full of Surprises"]

[Text] Sofia, 12 Jun—The first night after the free elections in Bulgaria turned out to be a sleepless one for the capital's inhabitants living in the downtown area of the city. It is impossible to describe the cacophony caused by the constant whistling, the chanting of slogans in unison, and the horns of hundreds (if not thousands) of cars.

The crowd constantly swayed to the rhythm of the chanting. Vehicles brought to the nighttime demonstration were decorated with blue flags. Young daredevils climbed up on the rooftops and waved emblems of the Union of Democratic Forces [UDF]. After midnight, the greatest concentration of demonstrators was on 9 September Square where, apart from everything else, priests were trying to organize collective prayer readings.

...Events started escalating in an unexpected way in Bulgaria right after the Bulgarian Socialist Party's impressive success in the first round of the elections.

As PRAVDA has already reported, the Bulgarian Socialist Party [BSP] won almost half of the votes, and the opposition UDF won roughly one-third. There are still no final results. The central electoral commission has promised to announce them today, referring to the fact that the 12,500 electoral reports received from all over the country must be carefully checked. At the same time, it must be noted that at the press conference for Bulgarian and foreign journalists held in the People's Palace of Culture, foreign observers and representatives of parliamentary groups from the FRG, Britain, Spain, the USSR, France, and other countries noted, without any prior coordination, that the elections had been honest.

A situation has taken shape in which the losers have decided to throw caution to the winds and cast doubt on the election outcome. Last night, at the rally outside the People's Palace of Culture, the UDF leaders made statements about "falsifications," violations," and so on, accompanying their statements with attacks on the BSP and determined to exacerbate the situation in the country and particularly in the capital, where the UDF's positions are particularly strong: Unlike the results in Bulgaria as a whole, here they won 53.7 percent of the vote (the BSP got 38.9 percent).

While we were in the press center, an impressive crowd of demonstrators with blue flags and banners—UDF supporters—gathered in front of the People's Palace of Culture. They shouted "BSP—Mafia," "Murderers!" and other slogans from a familiar repertoire, to which they added a new one: "We will not work for the Reds!" The electrified crowd also surrounded the National Assembly building, where the central electoral commission is at work. The slogans appeared: "Betrayal!", "Strike!" In the evening, the "blues" organized a rally which drew hundreds of thousands of people into its orbit.

Assessing the situation as alarming and explosive, Bulgarian President Petur Mladenov invited the central electoral commission leadership and the leaders of the main political forces—Aleksandur Lilov (BSP), and Viktor Bylkov (Bulgarian National Agrarian Union)—for a joint discussion of the course of the first round of the Great National Assembly elections. It was established that, despite partial violations, the elections as a whole were held in a normal, peaceful, and calm situation. The central electoral commission's work was highly assessed.

Many of today's newspapers are full of warnings about the danger of becoming involved in the chaos of civil dissension and intraparty warfare threatening the country. A great deal is being written about the "Balkan syndrome" and the particulars of the national psychology and so on. In the current heated situation, joy because of the BSP's success must not make us lightheaded, DUMA writes. There are forces ready for hazardous activity, thirsting for revenge and for an exacerbation of the political situation. In its turn, the UDF newspaper DEMOKRATIYA revealed the mood of the opposition quite specifically in the headline on its front page: "Bulgarian citizens, the bell has tolled."

Indeed, there can be no doubt that events have sharply escalated in Bulgaria ahead of the second round of the

elections set for 17 June. The path toward democratization has turned out to be difficult, thorny, and dangerous for a people who spent a long time in apathy and who lack democratic traditions. Time will tell whether the country's healthy forces have enough political flexibility, good sense, and tolerance to overcome the acute political and economic crisis into which Bulgaria has been drawn.

New Hungarian Government's First Steps Assessed

PM1406095190 Moscow PRAVDA in Russian 12 Jun 90 Second Edition p 5

[Own correspondent V. Gerasimov dispatch: "The Compass Needle Has Swung"]

[Text] Budapest—The 16 new Hungarian ministers include eight representatives of the Hungarian Democratic Forum: The key posts are concentrated in their hands.

From midnight on the day that it became clear that the Hungarian Democratic Forum [MDF], the party of the national intelligentsia, had won the parliamentary elections, an atmosphere of elation, inspiration, and mass euphoria lingered till morning in the halls, rooms, and corridors of the party residence, which overlooks the Danube. Journalists besieged MDF Chairman Jozsef Antall—he was already greeted as prime minister.

I mentioned that the MDF residence faces onto the embankment of the mighty European river for a reason. On the opposite side is the "White House"—the name given by Hungarians to the multistory building faced in white slabs belonging to the former Central Committee of the Hungarian Socialist Workers Party (MSZMP), and then to the Board of the Hungarian Socialist Party (MSZP). The MDF's opposition to the MSZMP and MSZP, which governed until recently, grew gradually, but consistently and purposefully. The needle of the compass of political orientations swung like crazy.

Moreover, on the opposite bank of the Danube, in the residence of another party that was swiftly gaining mass support—the Alliance of Free Democrats (SZDSZ)—"magnetic storms" were constantly growing. This party of a liberal democratic bent, which advocates Western forms of economic management and is supported still more widely by Western well-wishers, sometimes dashed into first place. The MDF also had to withstand the assaults of the Free Democrats also.

All the same, the uniqueness of the situation in Hungary lay in the fact that processes calmed down as a result of multiparty roundtables and the coordination of interests in the name of a peaceful transition to parliamentary democracy. Confrontation was alleviated also by the fact that Hungarian Socialists also met the changes in the country halfway. The "Janos Kadar parliament" feverishly adopted laws facilitating the changes; multiparty control was consolidated. The retreat of the left-wing forces, which split into several parties and movements, became inevitable. And now the MSZP, loading its desks into trucks, has abandoned the "White House" on the embankment.

How can the victors be characterized in two or three words? The Democratic Forum members are the representatives of national, Christian spirituality, of a "third way."

One warm September day in 1987, in the village of Lakitelek, near the capital, a marquee was pitched in the courtyard of a schoolteacher's house. A gathering of 170 writers, artists, economists, teachers, and local historians took place inside. The discussion revolved above all around internal Hungarian problems.

It was then that intellectuals aged 45-55 proclaimed the formation of the MDF. The youth of most of them had been scarred by the tragic events of the fall of 1956. So it must be bluntly said: The cornerstone of today's "power swing" in Hungary lies in 1956. There has been a change of generations: People who had long been advocating a multiparty system, a bourgeois democratic system, Hungary's withdrawal from the Warsaw Pact, the withdrawal of Soviet troops, and neutrality have surfaced. And the first law adopted by parliament declared 23 October (when the fratricidal clashes began in 1956) a national holiday and declared these events themselves a "revolution and liberation struggle."

The victors proved to be exceptional tacticians. From the parliamentary press gallery the freedom with which party colleagues consulted with the current "dissenters" could be observed. After passionate declarations that the MDF would liaise with SZDSZ only if a "national disaster" were to arise, an agreement between them was unexpectedly concluded: They began to act jointly on many questions and will alter the constitution, as they now have two-thirds of the votes.

Arpad Goncz (a 68-year-old writer sentenced to life imprisonment for active involvement in the events of 1956 but amnestied six years later, chairman of the Hungarian Writers Union), a SZDSZ representative, was easily carried by the Free Democrats, now collaborating with the MDF, into the post of temporary president of the Republic. It is thought that he will continue as such in the future as well: The word "temporary" will soon disappear. The point is that the two cooperating parties have agreed that election of the president will now take place in parliament and not by direct and universal suffrage, as decided just a few months ago.

A number of left-wing movements, together with ten people's, social democratic, and radical parties which did not get into parliament, have accused the MDF and the Free Democrats of collusion. "There is no real opposition, an agreement is being concluded over the head of society," the appeal by the "ten," who have set up their own consultative pool, said. "We are heading for a new dictatorship," is how representatives of the Leftist Alternative movement describe the "pact concluded by

the parliamentary parties." The MSZMP, the communists, have also stated that "the true opposition, which is in the majority, is outside parliament."

Joszef Antall's tactics have swiftly led to the strengthening of government. He has transferred the resistance of the opposition to the plane of partnership.

The palaces in the Green Buda have been put in order, renovated, and refurnished for the president and the prime minister. To put the Hungarian economy in order, or rather to transfer it to a higher order of efficiency, will be more difficult.

"The government considers that its primary goal is to curb inflation, to begin the process of declaring bankrupt groups of long unprofitable enterprises, and to work out a program to revive entrepreneurial activity and stimulate foreign capital investment," Joszef Antall, appointed prime minister in late May, said, clearly formulating the government's primary tasks.

A single ministry has now been set up to administer industry and trade. This "dualism," is considered justifiable by the new minister, economist Peter Akos Bod, a 39-year-old MDF representative. Until recently he worked at the State Planning Commission, which has been abolished.

MDF experts have repeatedly said private and joint-stock ownership should reach 70 to 80 percent. Now the minister explains: The situation will differ in different sectors.

[Gerasimov] How will privatization take place?

[Bod] It is a strategic question of Hungary's transition to the market. A law on privatization must be introduced as soon as possible to expedite, where necessary, the elimination of enterprises that have "gone under." Different methods must be adopted in different spheres. In my opinion, a mixed economy can quickly be created in the support industries and small-scale handicraft. [Bod ends]

P.A. Bod also said that some large enterprises run by working peoples' councils cannot be simply subjected to "automatic market mechanisms." As for the advent of foreign capital, so far it makes up only two-three percent of all capital investment.

Foreign Minister Geza Jeszenszky, who has a beard like a Swedish sea captain, has swiftly taken charge of the "ship": He has transferred 14 ambassadors and many staffers to the "shore." He is 49. A scientific worker.

"The Warsaw Pact must be replaced by an all-European security system,"—this is the primary goal put forward by the minister.

There is not a word about the disbandment of NATO.

For the first time in the entire history of Hungary, a civilian has been appointed war [voyennyy] minister. Lajos Fur, a 60-year-old agrarian and one of the founders of the MDF, intends, so he has declared, to build defenses without allies.

Four ministers are from the Smallholders Party. They advocate a share-out of the land and rights to old landholdings. One of the cabinet members is a Christian Democrat. There are also nonparty ministers. Recently a central newspaper featured a cartoon: A compass needle in the head of a decapitated man is pointing to the West. But all the other points of the compass are also marked with the same letter denoting the West.

Prime Minister Joszef Antall has said in a speech in parliament that the guarantee of national renewal is free, emancipated creative people. And this probably means also that their heads should not be orientated in just one direction. But whereas during the election campaign the MDF promised that when it came to power it would not institute a "witch hunt," nowadays you increasingly hear: Now someone has been fired, now someone else. All the "wrongly orientated" heads have rolled.

Army Property Left in Hungary Needs Solution

PM0706153090 Moscow MOSCOW NEWS in English No 22, 10-17 Jun 90 p 13

[Svyatoslav Bulakh article: "The Price of Military Real Estate. The Fate of Soviet Army Property in Hungary"]

[Text] Budapest—Soviet military units are withdrawing from Hungary, leaving behind serious unsolved problems, above all, the high-coast property of the Southern Group of Troops (SGT) on the territory of Hungary, property which belongs to the USSR.

There are 363 houses with 14,000 flats, hospitals, schools, holiday homes, six large aerodromes, depots for 220,000 tons of fuel, garages for motor vehicles, 149 barracks, 66 canteens, an entire infrastructure and many other things. Add to this a modern hospital complex in Budapest, that costs 30 million roubles, the officer's club in Szeged, worth three million, a motor transport repair plant worth about 20 million. Even at minimum estimates, the total cost is about 2.7 billion roubles.

Interest in this property on the part of the Soviet Union runs into a serious conflict with Hungary. Hungarian representatives naturally are trying to minimize the amount of compensation for the property left by Soviet army, which belongs to the USSR under the operating agreements. Formerly, the agreements were drawn up on such a way that they provided room for different interpretations. Another reason was the former legal rejection of property and hence the problems of its legal protection abroad, and the fact that the "temporary" stationing of Soviet troops on the territory of Hungary was actually regarded by the former Soviet leadership as permanent or extremely long-term.

I think serious mistakes have been made today as well. How could we commit ourselves to withdraw the SGT

from Hungary according to a fixed schedule when the solution of the major issue—about our property—was put off? Is that a recurrence of the past when the Soviet property in "fraternal countries", Hungary included, was distributed indiscriminately, or does the problem lie in Russian laxity?

What is Hungary's stand at the negotiations on the SGT property? In short, Hungarians are trying to determine the legal status of the SGT property not by intergovernmental agreement, but by Hungarian legislation. It means, as the Hungarian side maintains, that it is going to pay compensation only if it considers that the buildings left behind may be used by it, in other words, depending on its own subjective view on the possibility and desirability of utilizing them, and not on the real value of hte installations.

The Soviet side is facing the choice: to dismantle the buildings, carry out recultivation of lands (technically it is complicated and too costly) or transfer ownership of the buildings for a token compensation. Naturally, it would be profitable for the Hungarian side to put on the list of objects not fit for use as many buildings from the transferred property as possible, and it is unlikely that anyone will check whether the object is subsequently used and how. There have been cases when the Hungarian side refuses to admit one or another real estate as fit for use and claims it free of charge, although there are offers from Hungarian firms to buy it from the USSR. Of course, according to European standards the quality of most of the transferred houses is beneath contempt, but even in such condition they have value, especially considering Hungarian real estate prices. At any rate, there are more than enough people who would like to buy these buildings.

On the whole, if the Hungarian stand at the talks prevails, it will mean that the greater part of Soviet property will be transferred to the Hungarian state free of charge or for minimum compensation. Accordingly, the establishment of infrastructure, houses, schools, premises for the military units returning to the USSR from Hungary shall be financed exclusively from the USSR budget.

Taking into consideration the forthcoming withdrawal of our troops from Czechoslovakia and similar problems, total economic losses may be enormous for our country.

And it is hardly expedient to expect the USSR Defence Ministry to solve the most complicated legal and financial problems connected with the fate of the SGT property. The Ministry does not have competent experts on property issues and, moreover, is uninterested (at any rate now) materially in the solution of such problems. Hard currency proceeds will not go to the military directly, and the settlement of military units in new areas will be financed at great expense from the state budget.

Is there any way out of this situation? I think there is, but immediate measures must be taken for this: first, to put this issue and its solution under the control of the USSR Supreme Soviet. Second, it is necessary to find an owner for the property left in Hungary. This could be a competent foreign trade organization, possibly a joint-stock company or a firm which would undertake the sale and the utilization of the installations which the Hungarian side cannot and does not wish to sell on its own.

Urgent solutions are needed. Everything depends not on months, but on weeks and days.

Comparison of Ryzhkov, Antall on Relations

PM1106143990

Moscow IZVESTIYA in Russian on 10 June 1990 carries in its Morning Edition on page 4 a report on the 8 June meeting between the USSR Premier Ryzhkov and Hungary's Antall. This version has been compared with the TASS English version published in the 11 June Soviet Union DAILY REPORT, page 24, and found to be identical except for the following:

Page 24, column one, paragraph one, sentence one reads: ...in the Kremlin 8 June, exchanged views on... (inserting date for "today")

Column two, paragraph two, sentence one reads: ...and Antall considered some topical questions of Soviet-Hungarian trade and... (adding phrase)

Same sentence reads: ...connection with the switch to reciprocal payments in freely convertible currency at world... (rewording)

Paragraph four, last sentence reads: ...establishing joint ventures.

Participants in the conversation, which took place in an atmosphere of trust and openness, were S.A. Sitaryan, deputy chairman of the USSR Council of Ministers; Army General M.A. Moiseyev, USSR first deputy defense minister and chief of the USSR Armed Forces General Staff; and I.P. Aboimov, USSR deputy foreign minister; and from the Hungarian side F. Somogyi, secretary of state at the Foreign Ministry; A. Annus, secretary of state at the Defense Ministry; and G. Matolcsy, secretary of state to the cabinet. (supplying additional paragraph)

GDR-FRG Socialist Party Unification Viewed

PM1406103190 Moscow PRAVDA in Russian 13 Jun 90 First Edition p 6

[Own correspondent M. Podklyuchnikov dispatch: "Disappointed Hopes"]

[Text] Berlin, 12 Jun—There was one main item on the agenda at the Social Democratic Party of Germany [SPD] (GDR) Congress in Halle—the election of the new party chairman. Boehme, who was previously elected to this post, was forced to resign a few weeks ago under fire of unproven charges of allegedly cooperating at one time

with state security organs. It looked as though the people leveling these charges simply disliked his views.

The GDR's present foreign minister, Meckel, carried out these duties temporarily prior to the congress. Delegates were now deciding who is to head the party for the more or less long term. It was stressed at the congress that the intention is to merge the GDR and FRG SPD's.

The party board proposed two candidacies for the post of chairman—pastors Brinksmayer or Timm [names as transliterated]. But the delegates decided otherwise. They elected Wolfgang Thierse, deputy chairman of the SPD faction in the Volkskammer, as party leader by an overwhelming majority. He is 46 years old. Over the last few years he has worked as a scientific staffer at the GDR Academy of Art Central Institute of Literary History. Thus another new face has appeared on the GDR political scene.

However, the congress could not confine itself to just electing a party chairman. It also reflected disputes linked with the upcoming conclusion of a GDR-FRG state treaty on currency, economic, and social union. For 10 hours the 500 delegates discussed a document entitled "Laying the Foundations of the Future in Conditions of Social Responsibility." An unusual situation has developed: The Western SPD is now displaying greater concern for the social consequences of the treaty than its Eastern "sister," which one would have thought should have been far more worried about this. It is well known that Lafontaine, a possible candidate for the post of FRG chancellor from the Western SPD, previously criticized a number of the provisions of this document. After the Social Democrats acquired a majority in the West German Bundesrat, voices began to be heard saying that the treaty may not be ratified.

In Halle prominent West German politicians Brandt, Vogel, and Bahr, who were present as guests, heard a request that the SPD (FRG) not put the brakes on ratification of the treaty. Vogel acknowledged that the preparations for the treaty's implementation have gone so far that "ungovernable chaos" will arise in the GDR, as Vogel noted.

The congress reflected the fact that the Eastern SPD's influence is beginning to decline. Its Deputy Chairman Kamilli spoke about this in particular. The disappointed hopes linked with the elections to the Volkskammer and then to the local organs of power have taken their toll. The party did not obtain the number of votes it was hoping for. The party grassroots did not understand the reasons that prompted the SPD leadership to agree to a government coalition with right-wing parties, especially the German Social Union. As a result, according to Kamilli, many SPD members "have sobered up and are dissatisfied." The party is not growing in size and the previously cited membership figure of 100,000 is "over optimistic." The party in fact has 36,000 members. And 6,000 have already announced that they are leaving the SPD and there are no membership applications. Under these conditions the congress decided to abandon the former restrictions and to admit former members of the Socialist Unity Party of Germany to the party.

In the opinion of GDR and FRG Social Democrats, voiced in statements by delegates and Western guests, the unification of the two German states must take place on the basis of Article 23 of the FRG's Fundamental Law. However, it was stressed that there should be no hurry. A second state treaty must be elaborated. It must regulate questions of a future German constitution, protection of the economy in the east of the country, and the status of its Laender.

Thierse, the SPD (GDR) chairman elect, believes that the future united state's Fundamental Law must be adopted by an all-German referendum.

Troops in GDR To Be Paid in Deutschmarks

PM0806122390 Moscow PRAVDA in Russian 8 Jun 90 Second Edition p 2

[Colonel General V. Babyev, chief of the USSR Defense Ministry Central Finance Directorate, answers a question from reader V. Amelin, a labor veteran from Sterlitamak, under the "Question and Answer" rubric: "Military Service Paid for in Hard Currency"]

[Text] Much is being said and written now about the fact that the FRG and the GDR will soon be forming a single currency union. The West German Mark will go into circulation in the GDR. In that case, will the Soviet Union pay for the presence of its group of forces on GDR in hard currency?

A. Amelin, labor veteran. Sterlitamak.

[Babyev reply] This is a valid question and is being resolved right now. Together with other problems affecting economic relations and financial payments between the USSR and the GDR, it is the subject of talks between the Soviet side and the two German states.

It may be confirmed that when the single currency system is introduced in the united Germany, personnel of the Western group of Soviet forces will receive their pay in the currency in use on the territory of the united Germany—FRG marks.

West Europe

Gorbachev Congratulates Greek President-Elect

LD0406125290 Moscow TASS in English 1142 GMT 4 Jun 90

[Text] Moscow June 4 TASS—President Gorbachev addressed a message of congratulations to the Greek president-elect Konstandinos Karamanlis. He Expressed the conviction that the relations of traditional friendship and constructive cooperation between the Soviet Union and Greece would continue to develop in the interests of

the peoples of both countries, would contribute to the strengthening of trust, peace and security in Europe.

In his answer, Karamanlis thanked Gorbachev for his congratulations. He shared the conviction that friendship and fruitful cooperation between Greece and the USSR could grow to the benefit of both countries and would contribute to the formation of a new, peaceful Europe. Karamanlis conveyed wishes of prosperity and progress to the Soviet people.

Shevardnadze Reviews Summit With Danish Minister

PM0606134990 Copenhagen BERLINGSKE TIDENDE in Danish 5 Jun 90 p 11

[Report by Flemming Rose: "Increased Contacts on Germany"]

[Text] The Washington summit between Presidents Bush and Gorbachev increased the two superpowers' mutual understanding on the question of the terms for Germany's reunification.

That was Soviet Foreign Minister Eduard Shevardnadze's assessment of the Soviet-U.S. summit at a news conference at the Danish Foreign Ministry yesterday evening, when Shevardnadze held an hour of talks with Foreign Minister Uffe Ellemann-Jensen.

The Soviet foreign minister also said that there is still some distance between the two sides and that Presidents Bush and Gorbachev instructed their foreign ministers to continue negotiations over the German question.

The first meeting between Shevardnadze and U.S. Secretary of State James Baker will take place today in connection with the CSCE conference which begins at the Bella Center outside Copenhagen.

"The Danish foreign minister reminded me of the Helsinki Final Act on security and cooperation in Europe, which states that each individual country has the sovereign right to determine which military bloc it wants to belong to. That is correct, but there is also an agreement from the 1945 Potsdam conference according to which it is the four victorious powers which will determine Germany's military status," Eduard Shevardnadze said, stressing that the Soviet Union could wreck the process if that is what people want.

"But we are aiming at a solution that is acceptable to all parties and I think that the CSCE process and the 'four plus two' negotiations are the right forums."

In response to BERLINGSKE TIDENDE's question about what the Soviet foreign minister thinks about the fact that Boris Yeltsin, the newly elected president of the Russian Soviet Federated Socialist Republic, wants to pursue an independent Russian foreign policy bypassing the Soviet Government, Shevardnadze said:

"The question was not discussed in Washington, and please allow us to solve our own problems in peace. We do not have a Yeltsin policy, a Shevardnadze policy, or a Ligachev policy. We have a collectively shaped policy created by the USSR Supreme Soviet."

Scrambled MiG Too Distant to Intercept Intruder

PM1306195190 Moscow KRASNAYA ZVEZDA in Russian 14 Jun 90 First Edition p 4

[Report by "Our Correspondent" under the "We Report the Details" rubric: "Violation of Airspace"]

[Text] As has already been announced, USSR airspace was violated 9 June south of Batumi from the Turkish side by a light aircraft. We contacted Colonel General of Aviation I. Maltsev, chief of the Air Defense Forces Main Staff, and asked him to explain the details of the incident. This is what he said.

[Maltsev] A commission headed by Lieutenant General Ye. Timokhin, deputy chief of the Air Defense Forces Main Staff, went out to the scene straightaway. It has been established that a light plane crossed the USSR State Border 9 June at 1432 hours at low altitude over the Black Sea 10-11 km from Batumi airport. At 1435 hours it made a brief landing at Batumi airport. The pilot threw flowers and a letter to the ground from which it emerges that he is Hans Ulrich Schneider of the FRG.

At 1441 hours the aircraft had already left our airspace.

Throughout the flight he was kept within the zone of visibility of Air Defense and border troops' visual observation posts. Radar was unable to detect him owing to the mountainous terrain and the low altitude at which he was flying. In this situation the Air Defense Forces performed their task: they detected the aircraft, all the duty details were alerted in a timely fashion, and a MiG-29 fighter-interceptor was scrambled. The pilot, Captain A. Rzhannikov, got into the air almost one-third faster than the normal time allowed for takeoff. But the nearest military airfield from which he took off was 90 km from Batumi. The time allocated did not allow him to "reach" the intruder.

In accordance with Amendment 3 (2) adopted at the 25th session (extraordinary) of the International Civil Aviation Organization Assembly 10 May 1984, we must not open fire on civilian craft in flight. Although this amendment has not yet been signed by all states, the USSR has both signed and ratified it.

Hijacker Would Get Maximum 10 Years if Returned

PM1406113990 Moscow PRAVDA in Russian 13 Jun 90 Second Edition p 8

[Special correspondents B. Pipiya and A. Ulitenok report under the rubric "We Report the Details": "Terrorist Who Still Blushes"]

[Text] Minsk-Moscow—As PRAVDA has already reported, a Tu-154 en route from Minsk to Murmansk was hijacked on the night of 8-9 June. At the demand of

one of the passengers who was threatening to set off a grenade, the airliner changed course and landed in the Swedish capital.

Just who was this man threatening to kill 114 passengers? We contacted P. Palerchik, director of the Zhodino Polytechnical Institute:

"Yes, Dmitriy Semenov is a second-grade student of ours. He's a capable, quiet boy who still blushes. We've never had any problems with him.... Nobody would have dreamed that Dmitriy could do such a thing."

What else do we know about the passenger in row 32 of the ill-fated Tu-154? O. Ryzhikov, chairman of the commission investigating the hijacking, and his deputy V. Yarosh, have reported that the story about the threatened use of a grenade arose when a steward went to serve D. Semenov. Under the cabin lighting he could see the young man holding a cylindrical object with a protruding tip and lever in his right hand. Pulling the ring, the passenger said briefly: "We're flying to Stockholm, Sweden. Tell the crew." The steward thought it was a grenade.

A report has appeared in the Swedish newspapers that if the terrorist is returned to the Soviet Union he can expect to be executed for his crime. Is that true? Here is what Yu. Solovyev, deputy department chief at the USSR MVD [Ministry of Internal Affairs] All-Union Scientific Research Institute, told us:

"I recall that the Hague International Convention To Combat the Hijacking of Airliners was adopted 16 December 1970. Under this document a USSR Supreme Soviet Presidium decree was issued 3 January 1973 on criminal liability for hijacking airliners.

"The convention lays downs in particular that states on whose territory hijackers land are obliged to place them in custody and to take other measures envisaged by national legislation. They must conduct a preliminary investigation and report the results. In the event that a request to hand over the criminals is denied, the state is obliged to begin criminal proceedings and hand over the terrorists to the courts.

"As for the question of the death penalty, this sanction is not used against juveniles in our country. Semenov's actions come under Section 2 of the article on hijacking which stipulates between five and 15 years' imprisonment. But since Semenov is not yet 18 the maximum sentence he could be given would be 10 years."

Hijacker Will Not Seek Asylum

LD1306173890 Stockholm Domestic Service in Swedish 1600 GMT 13 Jun 90

[Text] The 17-year-old Soviet plane hijacker will not ask for asylum in Sweden, says his lawyer. During discussions with him no cause for asylum has appeared, according to the lawyer. The lawyer will now try to stop the 17-year-old's extradition to the Soviet Union, which has been requested orally by the Soviet authorities but not yet in writing.

Ambassador Presents Credentials to Pope

LD0706220290 Moscow TASS in English 1457 GMT 7 Jun 90

[By TASS correspondent Nikolay Teterin]

[Text] Vatican June 7 TASS—Ambassador Yu. Karlov, Soviet representative for maintaining contacts with the Vatican, presented his credentials to Pope John Paul II today. Monsignor Francesco Colasuonno, nuncio at large of the Vatican in the Soviet Union, was received by President Gorbachev in the Kremlin on May 14.

For the first time the Soviet Union and the Vatican have an official mechanism for maintaining a continuous political dialogue.

Karlov told TASS:

"The Soviet side began this dialogue, hoping for serious, long-term cooperation. We are open to frank, constructive discussions of any issues of mutual interest, whether international or bilateral. We can state with satisfaction that the Soviet Union and the Vatican have found common ground in their approaches to world affairs. Both understand that the world and human civilisation are integrated and prioritise human rights and the rights of nations.

"We should like to achieve mutual understanding and cooperate with the Vatican on issues dealing with European affairs. Undoubtedly, together the two sides can help step up the establishment of peace and stability in the Middle East.

"And, finally, we have to work hard to settle on a firm legal basis problems dealing with the functioning of the Catholic Church in the USSR.

"In accordance with instructions received from President Gorbachev, I passed to his holiness information about the main content and results of the Soviet president's visit to the United States and Canada".

According to Vatican Press Secretary Joaquin Navarro Vals, the meeting between the Pope and the Soviet representative was "very cordial."

Comparison of Shevardnadze-Genscher Talks

PM1206221790

Moscow IZVESTIYA in Russian on 13 June 1990 carries in its Morning Edition on page 5 a TASS report of a working meeting between USSR Foreign Minister E.A. Shevardnadze and FRG Foreign Minister H.-D. Genscher 11 June in Brest. This version has been compared with the TASS International Russian version published

in the 12 June Soviet Union DAILY REPORT, page 21, and found to be identical except for the following:

Page 21, column two, paragraph one reads: ...Brest, 12 June—A working meeting took place here 11 June between USSR... (substituting "12" for "11" in dateline and "11 June" for "today")

Third paragraph reads: ...aspects of the building of German unity... (substituting "building" for "construction")

Page 22, column one, paragraph two, only sentence reads: ...at the Brest fortress. (deleting words)

Supreme Soviet Session

Supreme Soviet 'Likely To Extend' Session

LD1406083190 Moscow TASS in English 0822 GMT 14 Jun 90

[By TASS parliamentary correspondents Kirill Dibrova and Vladimir Isachenkov]

[Text] Moscow June 14 TASS—The Soviet parliament will most likely extend its third session, which was to end today.

Members of the Supreme Soviet are to bring in a "verdict" today on the government-suggested trebling of prices of bread and bakery products from July 1, this year.

The government proposal prompted a sharp reaction in society, which also found its reflection in the parliamentary debate. The law makers on Wednesday were not able to complete the discussion on a draft resolution to increase retail prices. In the morning the deputies began to consider the second reading of the bill on taxes on enterprises. The bill also led to keen discussions.

The discussion of the first reading of the bill continued for more than one and a half months. The debate centred on the basic rate of tax on profit.

The government suggested setting it at 55 per cent of the profit while Moscow economist Viktor Yaroshenko, who came forward with an alternative project, suggesting limiting it to 35 per cent.

Despite categoric protests from government spokesmen, the parliament on June 5 voted for a 45 per cent rate of tax. The bill is to be finally decided upon today.

Supreme Soviet Adopts Market Transition

LD1306154490 Moscow TASS International Service in Russian 1455 GMT 13 Jun 90

[By TASS parliamentary correspondent Kirill Dibrova and Vladimir Isachenkov]

[Text] Moscow, 13 Jun (TASS)—The USSR Supreme Soviet today adopted a decision in which it has instructed the USSR Council of Ministers to present, by 1 September this year, a specific program for shaping the structure and mechanism of a regulated market. In the decision the transition to a regulated market economy is regarded as "the main content of economic reform".

From 24-29 May, 89 deputies spoke during the discussion on the government's report, and some 100 parliamentarians tabled proposals on the draft decision. Many of those who spoke were sharply critical of the government's concept, stating that it essentially amounts to an increase in prices and does not provide for any realistic measures for shaping a market. Doubts were expressed that it is possible to transfer to a market while maintaining branch ministries and without reducing military allocations, assistance to third countries, and other budgetary expenditure.

These critical remarks have been taken into account in the decision adopted today. In it, the Supreme Soviet has committed the government to embellish and introduce changes to the concept they have worked out, taking account of the results of discussions at the session and the recommendations worked out by the parliaments of the union and autonomous republics, and, while paying particular attention to specifying the time-scale for the shaping of a market and elaborating approaches to retail price reform.

The government is, moreoever, instructed to make provision for a reduction in the state budget deficit at the expense of a cut in the assignations for unfinished capital construction, defense, and the upkeep of the state apparatus, and the sale of excess material reserves. The parliament has obliged the government to present proposals on changing the system of bodies of state management, as well as to prepare a forecast of the social economic consequences of the transition to market relations.

The USSR Supreme Soviet has recommended to the supreme soviets of the Union and autonmous republics that they should examine the government's conception at their own sessions, after paying particular attention to the guarantees of social protection for the population. Presenting the draft decision to the deputies, Aleksey Boyko (Donetsk), a member of the parliamentary Committee for Economic Reform, reported that the committees of the Supreme Soviet considered it inexpedient to conduct the referendum proposed by the government on the issue of retail price increases and social guarantees for the population. A law on the referendum has not yet been drawn up. Only the congress of People's deputies, moreover, which is not to assemble until the end of the year, can anounce the referendum, but the complex of measures for the transition to the market must be drawn up without delay, Aleksey Boyko stressed.

For the purpose of ensuring law-based and economic conditions for the transition to a regulated market economy, Parliament has instructed the government to draw up draft laws regulating the new economic relations by August.

The Parliament has also discussed the draft decision on the increase in the retail prices of bread and bakery products proposed by the government. This document, however, has called forth particularly heated disputes, and examination of it has been postponed.

Besides, today the USSR Supreme Soviet has ratified the international convention on the rights of the child. Tomorrow there will be a joint session of the chambers of the Parliament, at which it is planned to examine the draft law on taxation of enterprise' profits in its second reading.

'Points' of Economic Decision Adopted

LD1306154190

[Editorial Report] Moscow Domestic Service in Russian at 1330 GMT on 13 June broadcasts a report by Igor Zorin from the 13 June session of the USSR Supreme Soviet in the Kremlin.

Zorin says the session since this morning has been debating the USSR Supreme Soviet draft decision on going over to a controlled market economy in the USSR. Seven points of this decision now have been adopted. They deal with all aspects of this transition. The debate has been lengthy ever since Ryzhkov's report. Committees and commissions subsequently dealt with this subject.

Zorin says it has been decided the transition to the market economy should be regarded the main aspect of the economic reform. The USSR Supreme Soviet Presidium, the USSR Council of Ministers, and the parliamentary committees and commissions have been instructed to monitor the economic laws that have come into force: laws on ownership, land, leasehold, self-management, foundations of economic relations between republics and the center, and to hear the government's account on this subject in October 1990—during the fourth session.

According to Zorin, this is an important amendment to the draft because many say the new laws still are not operating as they should. The seventh point of the decision on transition says future economic and social development of the USSR should be elaborated in view of the new ways of running the economy—here the word "future" replaces "Five Year Plan". This ought to be done in conjunction with working out a plan for 1992.

Another matter under discussion is the draft Supreme Soviet decision on introducing new retail prices on bread and bakery goods. Comrade Maslyukov reports on this measure, suggesting when it might be introduced. He says: "The country's requirements currently are not being satisfied with what is produced at home ... Prices are a world apart from the real labor input by the peasants." In the first place everyone will be compensated, republics will be compensated, and the sums distributed as they see fit. The Council of Ministers only can recommend the increases, but they are not obligatory. This can be introduced no sooner than 1 August this year. Compensation will be paid 10 days before prices go up.

Sobchak, Boyko on 'Nationwide Discussion'

LD1406094790 Moscow Television Service in Russian 0706 GMT 13 Jun 90

[Exchange between Aleksey Nikolayevich Boyko and Deputy Anatoliy Aleksandrovich Sobchak at the USSR Supreme Soviet session in the Kremlin in Moscow—live]

[Excerpt] [Sobchak] I have two specific questions. The first is about point two, with regard to the nationwide discussion. You referred to the fact that a referendum is rejected in the letters and telegrams received by the commission. But we have held nationwide discussions repeatedly on different draft laws, and in this connection I have this question for you: Who is going to add up the results of this so-called nationwide discussion, and how will it be done?

[Boyko] That's all there is, is it? Well, first of all, as you see, it is written here that the Council of Ministers and the Committee on Legislation have to make proposals on this. But we have sketched something out. Of course, there are different options here. Discussion should be carried in the oblasts, cities, and so forth under the aegis of the local soviets: then the appropriate representatives in the republics should pick up this generalized material, and then these documents should come in from the supreme soviets of the republics with the appropriate conclusions.

[Sobchak] But that won't be a discussion by all the people.

[Boyko] One could, for example, approach it via the production collectives alone.

[Sobchak] I understand. In other words, you are going to have the opinions not of the people but you will have the opinions of the relevant bodies of power in the localities which will present it to you.

[Boyko] That is just one option. The second option involves first of all a public opinion poll. At any rate, we have people to carry one out.

[Sobchak] This is a question which concerns the extent to which your proposals are thought through. If you propose a dicussion by all the people you must have a precise view of who is going to carry it out and how, and how the results of this discussion will be added up.

[Boyko] Well, I'm giving you the options, a poll of the production collectives. [passage omitted]

Boyko Speaks on Market Economy 13 Jun

LD1306194290 Moscow Television Service in Russian 0615 GMT 13 Jun 90

[Speech by Aleksey Nikolayevich Boyko, at the USSR Supreme Soviet session in the Kremlin in Moscow—live]

[Text] Esteemed chairman, esteemed comrade deputies: The draft decision on the concept for the transition to a regulated market economy in the USSR—a document on which further work has been done—is submitted for your consideration. It has been worked out by the four commissions that have been listed, or more accurately by a united commission formed from these four committees and commissions. Moreover, I would like to say that this is the fruit not of some speculative work by the members

of this commission alone: in figurative terms it is the joint work of the cooperation, both direct and indirect, of very, very many coparticipants in the preliminary analytical process. Dozens of letters and telegrams are being received every day now from citizens. Very many proposals have been received from deputies. And, naturally, all of this has been made general and has been studied, and as a result the present draft decision has been prepared.

Naturally, I consider it necessary to dwell on these proposals, in the first place because it is indeed the taking into account of these proposals and opinions—primarily those of our voters—that is of extraordinary importance for determining one's attitude toward the draft in question, and toward what one should support and what one should not support.

Understandably, in view of the large number of these proposals, I have the opportunity to dwell only upon the most widely generalized method of illustrating these proposals. So let us dwell on a brief analysis of the proposals from our voters.

I have to say from the outset that with few exceptions the overwhelming majority of the authors of the letters and telegrams support the course toward the changeover to a market economy. To a certain extent I was surprised by the extent to which attitudes here are quite clearly marked out, and I would even like to thank our voters from this platform for their understanding of the course which was adopted by the second Congress of People's Deputies and for their support of it.

At the same time, however, what do these letters and telegrams talk about? Where should the emphasis be placed? There is, of course, great concern about the possibility of living standards going down as a result of price rises. If one is to put the proposals into groups then this is the first block that can be seen there. And it has to be said that pensioners and invalids and so on plead for prices not be raised because that will worsen their living standards.

The second group of questions consists of specific proposals concerning the compensation mechanism. These are those citizens, I would say, who understand that one way or another prices are going to be raised whatever happens—either in a controlled way or in a non-controlled way—but that in any event they must defend themselves against this process. And in this connection there are many specific proposals. In view of the fact that it is envisaged that the Council of Ministers will deal further with these issues and one point has been put in specially for this, in the discussion by the whole people, all this material will be handed to the commission of the Council of Ministers for study and for a final decision.

Our document is, of course, general and laconic in character. No specific provisions on the compensation mechanism or on other questions can be made here and without anticipating the future work of the Council of Ministers we will naturally send them for additional study.

If I am to add up briefly the results of the study of these proposals from the voters I would put it like this: From them it follows that an extremely insignificant number of their authors insist upon a referendum, understanding indeed the fact that the transition to the market is an objective manifestation of our socioeconomic situation. And besides, taking into consideration the fact that I am answering this question because there are proposals from deputies that none of this should be considered, but that it should be put to a referendum, well, I stress that it is an extremely small number of citizens who are insisting upon this and, second, this is the prerogative of the congress. Third, we have no law on referendums and for that very reason you will find no provision in the draft decision for a referendum. The commission came to the conclusion that there is no need to include a provision of that kind for a referendum on the concept of the transition to a regulated market economy. This is not to mention the fact that the loss of every month will aggravate sharply the crisis element in our situation. We have to act without delay, as they say: Time doesn't wait.

Many deputies have displayed an activeness that deserves thanks. No less than 50 proposals in written form were received by us from deputies immediately after the discussion; six alternative concepts—to be precise draft decisions rather than concepts—were received from committees and commissions of the Supreme Soviet—alternative variants, as they consider them—one of them, in fact, has been distributed to you, it is attached. All these proposals and variants that have been submitted were studied carefully, I have to say, at two levels: by the working group of the committee on questions of the economic reform; and then all of this was put before the combined commission of the four committees and commissions. In fact, there were four extended sittings where everyone who wanted could attend and altogether this commission assembled six times. This indicates the attention with which it studied all proposals.

The overwhelming majority of proposals from the deputies and the committees and commissions amounted to this, that further work should be done and the concept should be defined more precisely. That is to say, no one rejects it or turns it down directly. As the philosophers might put it, there is no futile negation here. It is a question of taking note and doing further work on both the concept and the program of the concept. Only deputies Lisitskiy and Filshin submitted rejections of this concept in written form. In addition, among the deputies deputies, Kim, Tikhonenkov, Prokushev, Filshin, and (?Romanov) proposed that a referendum be held. I repeat, all the remaining proposals amounted to further work on the concept in question.

Naturally, in these proposals the main body was devoted to specific proposals on the compensation mechanism,

on prices, and so on. But it is precisely the specific nature of these proposals that prevents them from being included in the draft decision. We have taken them into consideration as far as possible, but in a generalized form, of course, with generalized wording. As far as further work on them is concerned, like the proposals received from our voters they will be passed to the commission, the Economic Commission of the USSR Council of Ministers. As far as the so-called alternative versions are concerned, I use the words so-called because they do not contain an alternative: I would say in part, because an analysis shows [changes thought] in principle, you can even compare what you have, both from the commission and from, I think, the Commission on Industry, those two variants, and you will find that in the main it's the wording that differs. As far as the essence of the matter is concerned, in prinicple they coincide 90 percent. There are only a few differences in nuance. There are, of course, a number of issues which for different reasons...but these are a minority, they cannot be adopted. If it is necessary for me to answer I will answer why the various proposals from committees or commissions were not adopted. But, I repeat, all of them were studied carefully and representatives of these committees were given the relevant arguments of the relevant commission.

And so after this preliminary information we go on to the consideration of the draft decision, with due consideration for what has been proposed by our voters and what has been proposed by our deputies, committees and commissions.

[Lukyanov] Comrades, I ask you to have the decision, the draft decision, in your hands, so that Aleksey Nikolayevich can comment on the decision. And you also have the draft decision of the group of deputies that has been signed, the alternative draft decision. You can even compare them because these comparisons are clear, they can be seen.

[Boyko] So we'll take the first point.

[Lukyanov] Please go ahead.

[Boyko] The first point of the basic draft proposes that note be taken of the government report on the concept that has been worked out in accordance with the instructions of the second Congress of USSR People's Deputies. I have to say that this is not empty, meaningless note-taking. Some comrades say that taking note in this way doesn't place any obligations upon anyone. In this situation that's not the case. This isn't a note-taking that places no obligations. It does place obligations because in the second paragraph you will find the obligations that does place expressed in perfectly specific terms. But I want, nevertheless, to give the reasons for this first paragraph. Why does it say that note be taken? A number of comrades have proposed that nothing at all should be written here, but that a formula should be used like "having discussed the government report: and then go on to recommend that it does this and that and so on. Well, you yourselves understand that to make it appear that nothing has taken place here in four days, that no concept has been discussed, and simply to issue another instruction and forget the fact that the instruction was given by the second congress of people's deputies already, I do not think that we can agree to such a proposal. We are taking note of it because, as I have said, only single numbers of deputies proposed that this concept should be rejected altogether. The majority agreed that further work should be done. At the same time, however, we cannot approve all these positions. We therefore take note and what we do later is already set out so to speak in the second paragraph.

I'll comment on the first point of the alternative version at the same time. It says that the transition of the country's national economy into a regulated market economy be considered to be the foundation of the economic reform. Well clearly, from the purely theoretical point of view, no one is denying this: But from the viewpoint of the strict wording of the decisions, there is no need to write this down, in the first place because we are not inventing the bicycle here. We already have the instructions, I repeat, of the second Congress of People's Deputies, the issue has already been discussion. So why should it once again be considered after the congress? That's the first point.

Second, the transition to a regulated market economy should be viewed as the basis of the economic reform. This also is wrong because it isn't the foundation, it's the essence, it's the very essence, the most direct objective, it's the radical restucturing of production relationships. So to presuppose that there are some other elements of the economic reform behind this, I think, is not something that can be seen. What is at issue here is the transition itself, and not just the market as some kind of foundation of the transition.

All right, now let's move on to the second paragraph. Here, following fairly tempestuous discussions, the commission came to a consensus. Leonid Ivanovich Abalkhin, wo took part in the work of the commission, also agreed with this formulation. It says: The USSR Council of Ministers is to present by 1 September a specific program of interrelated measures—I stress that this is to start this year, and not from 1 January, in other words now—to create the structures. This comes first. It is extremely important, because every word matters here: We have to start with the structures, and the mechanisms of a regulated market economy, including new approaches to financial, credit, and prices policy. Why are we mentioning prices policy here? It is because, I repeat, this is the factor that rankles particularly with members of the public and with deputies, and there will naturally still have to be very substantial adjustments here, or at any rate there will have to be feasibility studies, centering on whether prices have to go up, and if so, to what extent, why, and so on.

Now the second thing the government should do—and this also takes due account of the discussions that we

have had here—there are specific proposals to change the network of bodies running the national economy of the USSR, for people have quite clearly and with full justification been expressing their concern about how industrial ministries will be made compatible with this transition toward, or entry into, a market economy. If they are to be kept, then it follows that their functions will have to be considered. Briefly, the government must deal in specifics here, and not just proceed in an abstract wait-and-see manner, as set out in the concept. They must even now express themselves in fairly definite terms on this matter, particularly since obviously a number of new bodies will have to be established, in particular a State Committee for the Management of State Property, and some others.

The third document [as heard] which is also worrying everyone is the forecast of the socioeconomic consequences of the transition to market relations. Moreover, we have agreed that forecasts are not only being made for the program or concept which the government will submit but there must also be an analysis of all the alternative concepts and appropriate conclusions about them outlining what would happen if these alternatives were adopted. Then there is a point which is somewhat rhetorical, which will be understandable to everyone. Particular attention has to be paid to the necessity, naturally, of trying to reduce the state budget deficit. The channels along along which this work should proceed are indicated, and so on.

The next paragraph says, as you will see, that it is proposed here—incidentally, I omitted to mention that it says that the program of interlinked measures has to be submitted by 1 September—I mean the program, and not the concept, because the concept is a rather general document, while we need to have a quite specific document which gives the dates and the extent of the process of taking the economy out of state control, and other specific measures. It's obvious that this will inevitably also mean that the concept will have to be clarified. But I'll talk about that a little later. In this work it is proposed to take account of all the proposals and remarks voiced by the committees, commissions, people's deputies, and the electorate. We shall send all this on, including what comes in to us, to the Council of Ministers commission. There are also, of course, the proposals and remarks from the top bodies of power in the union and autonomous republics. Part of the committee, by way of alternative options, is proposing that the supreme soviets of the union and autonomous republics should be recommended to carry out such work and to express and propose their concepts, and so on. I think that it's the wrong time to be giving them recommendations. For a start, they will do it for themselves anyway. As far as taking into account these proposals is concerned, it is another matter that the Council of Ministers is obliged to take into account the proposals that will come in. From this platform I can declare verbally that everyone—the authorities in the union and autonomous republics, and individuals—everyone who has alternative concepts and a desire to submit them, please send these documetns to the Council of Ministers commission and the Economic Reform Committee of the USSR Supreme Soviet and we shall study them accordingly in parallel.

Moving on to the final version, I would ask for a little attention, because we must make a small interpolation as we go along. What it says is: The material submitted by the USSR Government—and here is the interpolation—including alternative concepts and the conclusions drawn up on them by the government commission... Why am I saying this? The thing is that people say: We submitted our proposals, but they just put them on one side, and no one said anything particular about them. So there must be a conclusion on each option. The government must present all this to us in September, and naturally in the course of September we, all the committees and commissions of the Supreme Soviet—we agreed that it shouldn't just be some individual commission—will study both the program and the alternative options, plus the conclusions, and will set out their views on a preliminary basis. Subsequently, we shall decide as appropriate on how to continue our work and in which direction to adjust the program and in what form to adopt it at the fall session.

There you have the first point. Its contents are rather voluminous, I have to say, and I'd like to ask you to take into account all the considerations that I have expressed, because a number of comrades have been insisting that the word concept should be used instead of program. I repeat that the program is a stricter document which both takes account of the concept and—this is the main point—it will also contain the time-scale and extent of the work to be done, and so on. And at the same time the concept will undoubtedly be refined. Second, I repeat, we shall deal with it in September ourselves again, because there will be alternative options, and we shall be studying all this as appropriate together with the conclusions. Those are all the comments I want to make on the first point.

Finally, you will no doubt recall that we were talking about setting up a committee for supervision and assistance. In the commission, we rejected this idea at the last moment. We decided not to set up a commission of this sort. It will be more democratic if all the committees and commissions get involved. When the time comes, I think we will without fail be forced to set up something, as it will be necessary to synthesize all the work that's been done. It's inevitable. We shall do it in the fall ourselves in the course of our day-to-day work.

[Lukyanov] So you can see, comrades, that it is proposed under this draft that at the very end of point one, in the final paragraph, the following amendment be made. Here it is: The material submitted by the government, including alternative options and the conclusions the government will draw up on them, is to be considered on a preliminary basis in committees and commissions in the course of September. So this will cover the alternative options.

[Boyko] As you can see, this takes account of the proposals from the Committee on Industry, and others. They suggested that we should take part in this work. In this way, I repeat, this work will not pass us by. All this will come to us, and we shall be working on it in September.

Now for point two of the decision. As you can see, it prescribes that the points be discussed in the country. Specifically, what is being submitted for discussion? Methods and measures for the social protection of the population, including citizens' savings. By the way, a very large number of people said they wanted this, both in letters from citizens and from deputies. What is to happen to the cash savings that citizens possess. Work must be done on this without fail, and you will recall that Nikolay Ivanovich Ryzhkov mentioned this.

To continue: Charitable foundations—this is a proposal by Comrade Likhanov, a very correct proposal, because they have a special status. They are virtually without interrelationships; they receive nothing from the budget and they put nothing into the budget and, as they say, they can remain outside these compensation mechanisms. The attention of the government commission must be given to this so that our charitable foundations do not suffer.

So, as you see, this point once again boils down to not having a discussion among the whole people on the concept itself of the transition to a market economy and, I repeat and I draw your attention to what I said at the beginning, that in their letters people generally do not insist, with few exceptions, either upon a referendum or upon the discussion of the concept as such. They simply say that all variants of the concept must be studied and authoritative conclusions given for them. What is at issue is something totally different: the question of how we can enter into the market in a painless way. It is here that the main pains of our citizens are to be found, so to speak; everything is concentrated on this and it is for this very reason that this question is being put forward for discussion by the whole people.

There is a very great deal to discuss here. I repeat that the main bulk of proposals in these letters concerns the mechanisms of compensation: to whom payments should be made—some propose that people on 800 rubles don't need any compensation whatsoever; for pensioners Deputy Andreyev says that they need to be given a supplement of 65 rubles immediately; and so on—that is to say those who are less well off. But we haven't included any of this here because, I repeat, these questions cannot be included in the draft decision, especially in view of the fact that work still remains to be done on these questions. But in September, as a result of all this general discussion, we will return and we will ourselves take part in this process. That, so to speak, is what has brought about the wording of this second point, as you see, the discussion of the measures of social—of guaranteed, shall we say—protection for the population from entry into the market.

True, there were great divergences here: I must comment on them right away so that we don't once again have unnecessary discussions later on this topic. As you see, the end of the first paragraph here says: In connection with the transition to the regulated market economy and the reform of prices. Here there are divergences. A number of deputies—well, I have to say that there is literally a split in opinions, some people are in favor of including "and the reform of prices" while others are not in favor: They just want to leave "in connection with the transition to the regulated market economy". But I would say this: Insofar as it is the price reform that causes the people heartache first and foremost—and irrespective of the price reform, even, if, say, we were entering the market by a different route, nevertheless prices are inevitably going to rise—saying that we will enter the market without raising prices is a myth. We are not going to go in without raising prices. That's impossible. We will nevertheless go in with price rises and it's precisely this problem that's worrying people. We must therefore talk about protection and compensation in some form or other in connection with raising prices and do so in specific terms and without any beating about the bush, as they say. And as far as entry into the market is concerned there is also protection against unemployment, of course, and there are some other factors which do not depend on prices directly, transfers of capital, and so on.

So who will bring this up? Evidently it is already going to be necessry to amend the time-scales here by several days—not by 15 June,, perhaps by 18 June. The Council of Ministers jointly with the Committee on Legislation will have to think about these issues. But the Council of Ministers, I'm sure, is in command of this question: specifically what positions should it bring forward for discussion? What is it proposing as far as these compensation mechanisms are concerned? What are the options? And this has to be discussed. And there are different options as regards what form it should be in: Should it be according to the labor collectives, with (?involvement of) the local soviets and so on. But I am not going to anticipate this question. There are two responsible sides here and they will think about what should be submitted; they will determine... [changes thought] Well, the time-scale is up to 20 August, because it still has to be circulated, and by 1 September the government already has to submit its proposals in the Supreme Soviet. So, everything is going to be interconnected here as far as the time-scales are concerned.

So, the third point: As you see, what we are talking about here is entrusting the Council of Ministers of the USSR and of the union and autonomous republics with carrying out additional measures to saturate and stabilize the consumer market. This is one aspect. This, moreover, is a proposal from Deputy Filshin, and it is undoubtedly an important one. For the time being, we will have to operate by certain administrative and command methods here. Let's put it that way. It is possible that there will be additional purchases of imported

goods, but in short there are options. This is the concern of the government. It has to think about how the situation here can be improved.

The second aspect, of course, is putting in order the sale to the population of basic food and industrial goods, including, as you see, wine and spirit products, which have been singled out here. Well there's a long story to this issue. To begin with it was written that first and foremost the intention was to stabilize things and not disturb the prices for wines and spirits for the simple reason that they have already been raised repeatedly and there is already a distortion here in the other direction. And besides, I have to say that there are a lot of letters from rural localities where people write directly—don't forget that these products are not simply a certain kind of product but for us they are a second currency which we use in paying each other for certain work. Raising prices once again for this second currency would therefore hit our well-being very hard indeed. So, here I have to put the emphasis—I am explaining why this point has made its appearance here, although there were differences. A number of comrades proposed that it should be excluded. Other insisted—you remember it made its appearance at the previous discussion—well we will decide, as they say.

Point four: This also expresses the first point in concrete terms: what the government is faced with doing in specific terms—I would use the word decipher—be 1 September. For purposes of ensuring legally-based economic conditions for the transition to the controlled market economy...

[Lukyanov—interrupts] Comrades, please pay attention.

[Boyko]...the USSR Council of Ministers is instructed to work out the drafts necessary for these legislative acts. And here I place the emphasis on "including the following", meaning that the list in question is open, it is not closed. It names 15 draft laws, but this does not mean that all of them are here, other drafts can certainly be submitted. Many comrades were insisting that a fairly respectable list of draft bills should additionally be included. You understand, in the first place Leonid Ivanovich said this directly, it is unrealistic, it is beyond the capability of the Council of Ministers to turn out such a mass by 1 September and beyond our capability, naturally, to put it through the session afterwards. We therefore took as our starting point the kind of optimum version that we will more or less be able to work through and which I would say is the critical minimum without which entry into the market is impossible.

But here, as you can see, all the same, after the first version, there appeared, in addition a draft law on securities and a stock exchange, a draft law on a commodities exchange—this is very important—on medical insurance, as the comrades insisted. Well—and by the way I should stress straight away here that you will find at the end of this point—but this is point number five so I will not touch upon it as we shall return to it later—and a very important aspect to which I would like to call the attention of the members of the government and all deputies—that is the question of the USSR State Bank.

But here what we have in mind, as we agreed with Leonid Ivanovich Abalkin in accordance with the proposal from the committee for questions of economic reform, what we have in mind is the question of creating a reserve system of the USSR of the same type as the federal reserve system of the United States. The point is that you can see what centrifugal processes are taking place in our country and we can be deprived, overall in the country, of a single monetary equivalent, and I leave aside matters of inflation here. And without a single monetary equivalent there can be no question of any all-union market.

Therefore, in working on the laws on the state bank and banking activity, and here on the USSR State Bank, I would formulate it in general as the USSR State Bank and the reserve system of the USSR. Well, in any event the government should bear this in mind and cooperate on this question with our committee if it needs clarification. That is an extremely urgent aspect for the establishment of a union-wide market. And all the more since we have here a draft law on a single union-wide market.

That is what concerns this point and why other draft laws have not been put forward. Well, in particular, I know, that the All-Union Central Council of Trade Unions [AUCCTU] has a very long and interesting list. For example, a law on labor is being proposed, a law on wages, a law on labor protection, and so on. These questions will be worked on. Evidently, if the AUCCTU can work on all of these and introduce them in accordance with the right legislative initiative, then evidently we shall not reject this.

So, we move on to point five which, in my opinion, is of especially great importance from the point of view of the practical activity of the government in the near future.

[Lukyanov] Comrades, please follow the text. I include all those comrades who have begun the discussion in their places. Well, please go on.

[Boyko] The essence of this point is very important. It is that without wasting time—without waiting until 1 January, when all of these laws will have been adopted, but starting from 1 July, when the law on property comes into force, and when the law on leasing will have already come into force, and earlier, the law on land and on local self-government and local economy and so on, that is, with the aim of creating without delay the necessary conditions for going over to a regulated market economy and creating what, in point one, is called the structure, precisely the structure, I would call it developing the subjects of the future market relations—to recommend to the USSR Government to issue decrees, that is to the president of the USSR to issue decrees or else to instruct the USSR Council of Ministers to adopt and put into operation starting from 1 July, this year, temporary decisions and provisions for the implementation of the

laws on property, land, lease relations in the USSR, on local self-government and local economy, first of all on the development of small enterprises, on the freedom of economic activity and entrepreneuralism, on the denationalization and decentralization of property—I have formulated this point in a very much shortened form, but later on I shall set it out more extensively—on joint stock companies and other partnerships, onm work and deliveries for state requirements—well this is to replace the state order—on banking activity in the USSR, on economic and legal protection—a whole range of proposals came in from our deputies, to protect public health, education—and here I ask you to add science which was included at the last moment at the proposal of Comrade Ryzhkov, I think, and several others, and culture in the USSR. That is, no doubt, with the introduction of the market such acts will be needed to protect these budgetary, let me call them, spheres.

Now, I shall try to comment on some aspects of what is intended here. When we say that the government should present to us its program in September then it should most specifically formulate wht it intends to do in the near future to implement those laws which have already been adopted and without which it is impossible to go into the market.

So, as you can see, it is a matter, here—I would put it like this—that two courses are envisaged to develop the subjects of market relations. For, if we do not formulate the market structure and that is, first and foremost, those participants which will go into the market. [as heard] The participant is someone who possesses products. He himself will decide what he should produce and with what he should go out into the market. it is necessary to create these market participants.

If we do not decide this question now but only hold debates on prices, on whether to raise them, and behave like a cat walking around the cream, then I am sure that we will reach 1 January with empty hands, with nothing at all. We will only be talking about prices, what should be done with them, and just as before there will be no one to go out into the market. But so that prices should behave normally we need these subjects of market relations.

There are here, so to speak, two courses for increasing them. Of course, one is on the basis of the present state property. That is, it is necessary to resolve the question, I would put it like this, of measured denationalization—of course, we cannot throw ourselves into the whirlpool and begin mass selling-off and issuing shares, but rather denationalization in measured steps.

But let the government tell us quite specifically that by say, September, five percent, even such a minimal number of enterprises and industries will have had their shares issued. By the way, there is a very interesting decision of KamaZ [Kama auto works]. So, how many will go over or have been allowed to go over to collective property? In those places where the assets are totally obsolete and worn out, they should be handed over to the collectives totally without charge. People there will set things in order and begin to produce something. Some small ones in the services sector can undoubtedly be sold as family property in accordance with the draft on small enterprises. So, let those sectors be formed that work directly for people, and so forth.

But here, I repeat, there must be quite specific decisions contained in that program. We will look to see what there is in it. We will thus have the opportunity to monitor quite clearly whether the government's words are at variance with its deeds.

The concluding remarks by Nikolay Ivanovich were very convincing. He showed very convincingly that we are not going to get by without the market, without movement toward the market. So this indicates that the head of the government does have an absolutely clear-cut understanding.

It's very interesting that in an interview once Leonid Ivanovich Abalkin said that it has to be understood that this is the last chance for perestroyka. But if this is the last chance, then the approach to it should be as though it were the last and everything must be done to squeeze all we can out of this, as they say. In other words, there is recognition of the fact that now we have to act resolutely, and, I repeat, not spin things out until 1 January. The work has to be started now.

The Council of Ministers has some very interesting draft decisions for small enterprises and an interim provision on joint-stock companies. This has to be set in motion, and of course the relevant laws mentioned in point four—I mean point three, isn't that right?—will come into force from 1 January. They will take this upon themselves, so to speak. I believe that we have to give the government the right, by means of these interim decisions, to get the fly-wheel of the transition to a market economy spinning, especially in view of the fact that we have adopted, I repeat, some very important laws. I'm not going to list them, but especially the fundamental law on ownership. Of course, we have a right to ask the government in the fall how it is implementing these laws. If it is going to continue in the old way not implementing them, then, pardon me, but why are we adopting them here? How much time are we going to spend here in a talking-shop? In my view this is the last vote or rather credit of confidence, so that in the fall we will be able to look and see how real are the government's actions on this road here, and we will draw the appropriate conclusions on these questions.

That is what I would like to say on this point five. Of course, there is a very great deal here. As far as removal from state ownership is concerned, understandably, of course, I repeat, there are the specific quotas for all channels of removal from state ownership that have been marked out in the law on ownership. That's the first point, and the second problem is, of course, that of

decentralization. True, the decision on the law on ownership says that the demarcation between the union, the republics, and the local soviets takes place only on 1 July 1991. But you see how rapidly life in the country is developing. No doubt spontaneous takeovers [samozakhvaty] of enterprises will soon begin in the republics, and the Council of Ministers must therefore move quickly on this issue to resolve the problem of what is to be handed to the republics, whereas for their part the republics have to resolve the matter of what should be given over immediately to the local soviets: municipal undertakings, of course, the area of everyday services, and so forth. This must be handed over to the local soviets and these questions must be worked through without delay.

[Lukyanov] Aleksandr Nikolayevich, Aleksey Nikolayevich, I'm sorry. Comrades, I ask for your attention. Discussion has started in this area, here. I ask for your attention. Please look carefully, because every point in the decision is being commented upon. Look at it. Let's decide things together, but we cannot procede here without a commentary. These problems are too important. Please continue.

[Boyko] As you see, I am presenting not a program but only a draft decision. For that reason everything is given here in a generalized form. I am setting out what is understood by this, what was stated to the commission, of course, in the presence of Leonid Ivanovich Abalkin. The second side, I repeat, or the second line, is the cultivation of subjects primarily through the setting up of small enterprises using all forms of ownership, economic associations, and so on and so forth. But in specific terms, I repeat, we have to receive proposals in September and do some work ourselves on these proposals, in what amounts they should be allowed, and so on. That's all I have to say about point five.

On point six I'll save time, because I don't think special comments are needed here.

The same applies to point seven...

[Lukyanov, interrupting] Just a minute, Aleksey Nikolayevich, deal with point six too so that it's clear to everyone.

[Boyko] Yes, I'm just reacting to the fact that the comrades are suggesting I should round things off. All right, if you'll allow me I'll dwell on it. Point six here deals with...[Boyko changes thought] Incidentally, this is also one of the elements, or rather one of the links in the program, that the USSR Council of Ministers shall organize at all levels of economic activity and economic management starting from the enterprises and organizations the compilation of economic and social development plans for the year 1991, taking into account the new legislative foundations for economic activity that have been adopted and examined by the USSR Supreme Soviet, that is, the laws that we have adopted and that I have just spoken about: interrelations between the USSR and the Union republics. We do have such a law, the formation of an all-Union market, for a draft of this is due to be formulated by that time; increased requirements for the development of the social and cultural sphere; the improvement of the ecological situation in the country; and the remarks and suggestions of the deputies which have been expressed at the session. Further on, as you see, it deals here with the timescales within which these documents need to be submitted. In short, although we remain now within the framework of the traditional plan, let's put it that way, to some extent it is already going to be changed substantially in form, for it has to take into account all of these nuances which I have enumerated and of which there are very many here, as you see. And, no doubt, the budget—the budget is something the Supreme Soviet should take firmly in its hands. There are also many different proposals here, but that is also our responsibility, and naturally, on the budget, we will also be able, to some extent, to monitor the plan, the trend of capital investments, and the distribution of funds between the production and nonproduction sphere, and so on.

So, on point seven the comrades proposed replacing the word "five-year plan" with the word "long-term", especially as, you know, "long-term", in this instance, if we are talking about socioeconomic development, is both five years and 10 years. Therefore, we have changed this term for the word "long-term" economic and social development of the USSR, taking into account, of course, the program which will be worked on, and that we can no longer adopt such a tough plan, and that this, evidently, is something in which we must switch over to a program method of introducing this "long-term", and so on. This is a broad field and there is much for the State Planning Committee and the Council of Ministers to think about.

That's all I have on the first draft. [addressing Lukyanov] But we're going on to the second draft now, aren't we?

[Lukyanov] Yes, let's do that. Comrades, do you have any objections if we report straightaway on the second one? Right.

[Boyko] As you recall, we took this second draft of the decision which we call "On the Procedure for Introducing New Retail Prices for Bread and Bakery Products" beyond the bounds of the problem of a transition to a regulated market economy for the simple reason that in general it does not, of course, have any direct bearing on this. It only has a bearing, of course, in the overall context of preparatory conditions, but it is not directly connected.

Here I should comment on these three points. The question, you will understand, is a very complex one, but, still, it seems to be that the commission has found more or less acceptable solutions. The first consists in the main of supporting the USSR Government's proposal on raising the retail prices for bread and bakery products. Incidentally, I will also come back to those letters and telegrams sent by citizens. It has to be said

that a great many—I don't know exactly how many percentage, but anyway no less than a half—realize the need to raise the price of bread and bakery products. They support it, but undoubtedly they are worried by questions of compensation and by how much they will go up. The commission has done it this way—to support, on the whole, the idea that there is such a need. But it does not voice its attitude as to what multiple they should be increased by, three times, or double. There have been such proposals; and from what time, from 1 July, from 1 August, or from 1 January. I think that the session, above all, should settle this.

To continue: Point two: it has already been imbued with life; you will recall speeches in the union republics on these questions. Therefore, here, naturally, it is recommended that the Council of Ministers adopt a decision on increasing retail prices for bread and bakery products, taking into account the opinion of the supreme bodies of state power and administration in the union and autonomous republics, including the means and extent of compensation. The Council of Ministers is already carrying out such work. You will be aware of the anxiety of the deputies of the Central Asian republics, and I think that the Council of Ministers, with the corresponding councils of ministers, will agree on this question as to how and by how much to make these increases, and how to solve the problem of compensation for bread, and possibly find facts, so to speak, on the actual consumption [words indistinct] and make the appropriate compensation. In other words, all this will be agreed by the corresponding bodies of power of the corresponding republics. And here we shall give the government appropriate scope for action.

And point three: I will read it out because it is, of course, important for the citizens of the country. You know perfectly well that we have a lot of animals and poultry to feed with bread, chiefly dark bread, and so if prices are increased, especially threefold, then this will quite simply be a blow to animal husbandry and personal plots. And this means that prices will increase—and very seriously, too—in the markets. Therefore, I would like very much for the Council of Ministers—it is also proposed here regarding local soviets of people's deputies—to adopt measures to increase the sale to the population of combined fodder and grain fodder at the expense of the emerging savings in grain resources, with the purpose of ensuring the production of meat and dairy products on personal plots.

Well, you ask how will this be done? Each oblast and each republic has certain assets, it obtains grain. So one can trace perfectly clearly what sort of savings can be made and all this released section of assets can, naturally, be floated either into combined fodder, or if there are no capacities for their production, then at least sell grain fodder, because fodder, basically, isn't white bread but rye, and so on. Turn it into grain fodder, and the local soviets must show concern for this if they don't want to allow shortcomings in meat production at least at the same level as dairy products as exists in personal plots. Well, naturally, the Council of Ministers must carry out a lot of considered work in this direction. Well, that's all on this draft. In the main, as you can see, we are giving fairly broad freedom of activity to the government, proposing that it works through a correspondingly specific program—and the representatives of the commissions of the Council of Ministers will, naturally, be able to make additional elaborations—but, at the same time, in the fall we will take this process under control, both from the conceptual point of view, since we shall be studying both the program and alternative variants and so on, and also from the practical point of view. This is what has been done specifically regarding the creation of conditions for transition to a market.

That, basically, is all I have. I believe there will be questions. I will reply to your questions. Thank you for your attention.

Deputies To Curb 'Rash' Government Plans

PM1406081190 Moscow IZVESTIYA in Russian 13 Jun 90 Morning Edition p 1

[V. Romanyuk report under the rubric "In USSR Supreme Soviet Committees and Commissions": "Legislators and Experts"]

[Text] In a recent article in the press L. Abalkin, deputy chairman of the USSR Council of Ministers, declared that he knows of no alternatives to the concept proposed by the government of a switch to a regulated market economy. Of course, this does not mean that there are none at all. On Monday 11 June one of the alternative options was examined in the Committee for Economic Reform Questions or, rather, in its information subcommittee. The subcommittee is only just being formed and has the purpose of forecasting the socioeconomic consequences of the draft laws being adopted.

Concluding the debate, subcommittee Chairman S. Sulakshin pointed out that, although the draft dynamic model of the country's socioeconomic development cannot be regarded as a full-blown alternative to the government program, the very fact that it is being considered marks appreciable progress. A new practice of examining and adopting draft laws is, in point of fact, coming into being—on the basis of computer forecasting and the involvement of expert groups in elaborating the legislators' independent, nondepartmental position and adopting more competent, profoundly elaborated decisions. Truth to tell, some of the laws already adopted have been imposed on parliament by the government. They contain very substantial flaws. A vivid example of this is provided by the government program of radical economic reform approved by the Supreme Soviet, which was designed to be implemented over six years but failed to last even six months.

"Proceeding from this," USSR People's Deputy S. Sulakshin concluded, "we should not set one draft against the others but, on the contrary, submit for discussion on a competitive basis the whole range of

alternative approaches, with an analysis of the forecast consequences. Hitherto draft laws have been adopted on a nonalternative basis, virtually without expert analytical preparation. Therefore the apparatus was able to impose on parliamentarians decisions favorable to it. The new subcommittee intends to help parliamentarians to adopt more conscious decisions and, in general, to enhance their competence with regard to the draft laws themselves that have to be examined."

Now specifically about the alternative draft for the switch to a market economy, proposed by A. Kugayenko and G. Soloveychuk, specialists of the Automated Analytical Research Center of the USSR State Prices Committee. Using mathematical modeling methods, the draft's authors attempted to build the optimum model making it possible to effect the switch from the edict system to a market economy with the minimum losses (without lowering people's living standards). The concept has exposed the defects of the existing mechanism built on a distorted structure of fixed production capital, a deficit-ridden economy, the slow-moving nature of the vast mass of money, and planned monopoly production. The alternative concept proceeds from the need to form variable normatives (not constant ones, as is customary today), but to make the algorithms and the laws of their formation constant.

The key aspect of the new concept consists in changing our economy's fundamental orientation toward developing the production of the means of production to the detriment of consumer goods. The present 80:20 ratio should be restructured as a 50:50 ratio. Further, the procedure for remunerating labor in the production sphere should be changed so that most of the cash turnover bypasses the USSR State Bank. The principle which prompts people first to make proceeds and then to distribute them should be destroyed. It is proposed that part of the wages fund will be formed out of the proceeds from selling the consumer goods that have been produced. This, in fact, is the incentive for developing consumer goods production.

I would not say that the concept of the alternative option, of which A. Kugayenko, one of the authors, spoke, elicited universal rapture. There were many questions and doubts, which were shared by People's Deputies B. Vasilyev, V. Davituliani, A. Dobrovolskiy, V. Tatarchuk, and others. On the whole, the people's deputies evaluated the proposed alternative option quite highly. Incidentally, as early as last fall it was submitted to the USSR Council of Ministers State Commission for Economic Reform but was not examined.

The present parliament is frequently accused of lacking professionalism. It does not have even a small, modestly equipped scientific-analytical expert service. The U.S. Congress, for example, has at its disposal a strong service engaged in expert calculations and in analytical backup for legislators' activities. S. Sulakshin said that the Economic Reform Questions Committee has submitted to the USSR Supreme Soviet Presidium a draft resolution on the creation of such a service, but they are in no hurry to examine the draft, as it will hardly be possible to adopt it before the fall.

Well, the parliament is faced with continuing the dialogue with the government. I would like to believe that it will be on equal terms. It is precisely an independent expert appraisal of draft laws that must initiate the real separation of executive and legislative power. It is no secret that until recently the government was managing to get its decisions through with no special trouble. But parliamentarians are changing. And the bitter lessons of certain decisions rubber-stamped by them are making them take a more considered approach to adopting new ones. However acute the situation in the economy may be now, parliamentarians do not intend to go on approving rash decisions.

Political & Social

Gorbachev's Concept of USSR Viewed

LD1306153390 Moscow TASS in English 1511 GMT 13 Jun 90

[By TASS parliamentary correspondent Vladimir Isachenko]

[Text] Moscow June 13 TASS—Soviet President Mikhail Gorbachev addressed a session of the Federation Council on Tuesday and put forward a concept of creating a union of free socialist states, the president's press secretary Arkadiy Maslennikov said at a briefing for Soviet and foreign journalists here today.

He stressed that the concept envisages various forms of ties between republics and central authorities, ranging from the federal, to which we are accustomed, to confederal. In other words, the strength of the ties and the degree of freedom can be different, depending on how relations of this or that republic or nation with the central authorities are developing.

According to Maslennikov, Gorbachev pointed out, when explaining the concept, that perestroyka processes in the formation of a national and state setup are developing from below and are being established in various forms, sometimes rather unorthodox and even painful. The task consists in giving them a planned character and working out by joint efforts the forms of coexistence of nations and republics which, on the one hand, would preserve statehood and, on the other hand, would fully take into account historic, cultural and political characteristic features, as well as the traditions of nations.

Maslennikov said that all participants in the session stressed the urgent need for concluding a new union treaty as soon as possible. It was pointed out that the creation of a "free" union of sovereign states would not mean the disintegration of the Soviet Union. One of the

reasons for it is that the process will develop along with the transfer to a market economy.

All participants in the session, including leaders of the Baltic republics, were unanimous in their opinion that a single all-Union market will be advantageous to all, Maslennikov stressed. This economic factor will be the best cement, which will bring Union republics closer together and will make them keep together, participants in the session pointed out.

They agreed, more or less, with the assumption that republics should delegate some of the functions to the centre, including foreign policy, defence, diplomacy and some spheres of economic activities, primarily finance.

Maslennikov said that it was planned to create a working organ for drawing up a new union treaty, in which representatives of all republics would participate. When the draft document is ready, it will be submitted to the federation council and then to the USSR Supreme Soviet and republican parliaments.

Speaking about Gorbachev's and Ryzhkov's meetings with leaders of the Baltic Republics held on Tuesday, Maslennikov stressed that the conversation was "rather positive" and frank. "They analysed the situation with inter-ethnic relations taking shape in the Soviet Union in general and in the Baltic region in particular and tried to find a way to lessening tension and removing elements of the crisis situation that emerged in relations between the central authorities and, especially, the leadership of the Lithuanian Republic", Maslennikov said.

He told journalists that Gorbachev had proposed a broad interpretation of the notion of cancelling or dropping the independence declaration. Although the resolution of the Third Congress of USSR People's Deputies envisages the cancellation of those illegal constitutional acts, Gorbachev suggested a flexible formula—either to declare a mortorium or to freeze those acts, and on this basis to begin a negotiating process with the framework of the existing legislation, which provides for a mechanism of settling such problems.

"The president and political leaders of the country have no intention to press on, to insist on some specific formula. The tasks is to find political solutions acceptable for both sides, not impairing the dignity of the Baltic nations and the Congress of People's Deputies", he pointed out.

According to Maslennikov, the Baltic leaders "did not look gloomy", when they were leaving the conference hall. They did not disclose any details, only noted that the conversation was "calm and businesslike, and they discussed exactly how to find some ways to resolve the problem, acceptable to all." During the session of the Federation Council chairmen of Supreme Soviets of the Baltic Republics submitted proposals and expressed their views of the national and state setup of the Soviet Union, and the discussion at the session "developed not as a confrontation, but as a quest for common approaches to the solution of problems".

Commenting on the president's attitude to the declaration of Russia's sovereignty, Maslennikov said that Gorbachev "does not regard it as a constitutional, or a legal act", but rather as "a political declaration". Such declarations are being worked out by many republics, and the very idea of real political and economic sovereignty is a component part of the renewal of the state setup. The president proceeds from the assumption that the fuller the aspirations of nations are met—the less resentment will remain, the easier it will be to build normal union relations.

According to Maslennikov, Boris Yeltsin said at the session of the Federation Council that he favoured the preservation of the state's unity, that the point at issue was only the distribution of authority. Yeltsin approached the president, and they had a "quite normal, constructive conversation".

Speaking about the provision of the declaration proclaiming the supremacy of Russia's laws over legal acts of the union, Maslennikov stressed that Russia's Congress of People's Deputies had not adopted any laws so far. "The declaration adopted by the congress is not a law either, it is a declaration of intentions, this is why it cannot abrogate union legal acts", Maslennikov pointed out. "If we regarded the declaration as the abrogation of all union laws, this would mean that a zone of lawlessness has been created on the territory of the Russian Federation. This is meaningless from the legal point of view". As for the future correlation between union and republican laws, it will be determined as a result of working out a new union treaty.

Ligachev Interviewed on Major Current Issues

OW1306140890 Tokyo NHK General Television Network in Japanese 1229 GMT 13 Jun 90

["Exclusive" recorded interview from the "NHK News 21" program with CPSU Politburo member Yegor Ligachev by NHK International Department reporter Toshihiko Yamauchi: "Interview With Leader of Conservative Faction"—time and place of interview not given—Ligachev and Yamauchi speak in Russian with Japanese translations in subtitles; the following is translated from the Japanese]

[Text] [video shows Ligachev and Yamauchi sitting across a table in an office] [Yamauchi] It is said that you are a conservative and you are opposed to Gorbachev. Can you tell us the truth?

[Ligachev] If I am opposed to President Gorbachev, I could not have worked with him in the same Politburo for five years. President Gorbachev is a great revolutionist and socialist. Thanks to the reform, we can promote the socialist construction further.

[Yamauchi] How do you evaluate perestroyka?

[Lifgachev] There have been miscalculations and mistakes. And there have been contradictions and confusions. However, it is a fact that great changes are in progress now. What I want to emphasize here is that the miscalculations and mistakes are connected with the party's organizational and ideological problems.

Concerning the economic reform, we have not made sufficient preparations. Prices are decided by only one or two enterprises in various departments, and with the enormous amount of sales, they have collected profits. The crisis for perestroyka is not caused by the conservatives. On the contray, it is caused by the nationalist forces, secessionist forces, and the forces that attempt to turn the Soviet Union into a chaos and to lead the Soviet Union into deterioation.

[Yamauchi] It is rumored that you will retire at the next party congress. Is that so?

[Ligachev] It will have to be decided by party members in a democratic way.

[Yamauchi] Isn't it possible that the Communist Party will split at the next party congress?

[Ligachev] I don't think it will split. Sound forces of the party will unite at the congress. Perhaps, some groups will withdraw from the party. However, we don't know how many members will leave the party.

[Yamauchi] My next question concerns the Lithuanian problem. Is there any possibility of a military intervention?

[Ligachev] Absolutely no. Under whatever circumstances, there will never be a military intervention. Lithuania has denied the union's Constitution and also the intention of the Council of the Nationalities. It should never be forgotten that their country has been built by the union and the Soviet people. The natural course for this issue will be to withdraw their declaration of independence.

Reportage on Preparations for CPSU Congress

Revenko Speaks on Goals

LD1406112690 Moscow TASS in English 1041 GMT 14 Jun 90

[By TASS correspondents Ivan Ivanov and Aleksandr Mineyev]

[Text] Moscow June 14 TASS—Grigory Revenko, member of the USSR Presidential Council, today described "the question of a fair state set-up" as a major goal of current political reforms in the Soviet Union.

Addressing journalists at the press centre of the 28th Congress of the Soviet Communist Party (CPSU) and the Russian party conference, he dwelt on problems of renewing the foundations of the Soviet Federation.

Such a fair set-up, he said, will be realised within the framework of a draft new union treaty put forward at the USSR Federation Council session which ended on Wednesday, i.e. on the basis of a new formula for building the country as a union of sovereign socialist states.

The point is that their voluntary entry into the union will be differentiated—each republic will be able to set its own conditions for joining the union, be it on federative or confederative principles, with special status, Revenko said. The right of members of the union to sovereignty, political and economic independence remains unchanged, he added.

His opinion is that the minimum of priorities should be left within the competence of the centre, namely: constitutional and human rights, the protection of the border and defence, and some part of the international relations sphere.

Republics themselves, when joining the union with their treaties, will determine which rights they will delegate to the centre. "There are no grounds not to recognise each republic as the subject of international law," Revenko said.

He considers the establishment of a really all-Union market as utterly esssential, with each republic being guaranteed the right to join any economic community—"let them join the Common Market if they want it and if a republic has sufficient potential."

In order to level out the socio-economic levels in various republics, all-union funds for the development of appropriate infrastuctures are expected to be established, Revenko said.

First News Conference Held

PM1406110390 Moscow PRAVDA in Russian 14 Jun 90 Second Edition p 2

[TASS report: "CPSU: On the Threshold of the Congress"]

[Text] The first meeting with Soviet and foreign journalists has taken place at the press center for the 28th CPSU Congress and the Russian Party Conference, which started operating 13 June. Participating in it were V.A. Medvedev, member of the CPSU Central Committee Politburo; G.P. Razumovskiy, candidate member of the CPSU Central Committee Politburo; and Yu.A. Manayenkov, secretary of the CPSU Central Committee.

The news conference was opened by A.S. Kapto, chief of the press center and head of the CPSU Central Committee Ideological Department.

With regard to the complex and, you might say, critical situation in the country, V.A. Medvedev said at the meeting, all questions of preparing for and holding the congress and the Russian Party Conference are assuming tremendous political significance. He dwelt on certain

central questions of these preparations, reporting that they are at the final stage of elaboration in the congress preparatory commission and the conference and in their working groups.

Speaking about the report and election campaign in the party, he reported that 140 oblast and kray conferences and 10 congresses of union republic communist parties have already been held. They discussed the draft CPSU Platform and Statutes and examined questions affecting the election of delegates to the 28th congress. At the same time 88 conferences and eight congresses, i.e. the majority, heard reports and held party committee elections. The Kirghiz and Ukrainian Communist Party Congresses, six oblast conferences, and the Moscow City Conference will be held during the remaining days. In a number of party organizations the congresses and conferences will take place in two stages and be concluded after the CPSU congress. The conferences and congresses were held in a keen atmosphere, with communists being highly active, the speaker pointed out. As distinct from past practice, more than half the secretaries of primary party organizations were elected directly at the meetings, as were three-fourths of the first secretaries of party rayon and city committees, and the majority of first secretaries of oblast and kray committees were elected at conferences. The first secretaries of union republic communist party central committees are being elected directly at the congresses.

The body of delegates to the 28th CPSU Congress is expected to comprise approximately 4,700 people, V.A. Medvedev said. The election of congress delegates has taken place democratically, in the majority of cases on a multiple-candidate basis. Precisely 3,202 single-mandate and 171 multimandate districts have been formed in territorial party organizations. More than 700 delegates are expected to be elected directly at congresses and conferences. Precisely 21,806 people had been nominated as candidate delegates for the 4,384 territorial delegacies, i.e. five candidates per delegacy.

V.A. Medvedev pointed out that at present workers make up 11.6 percent and collective farm members 4.8 percent of those elected to the party congress—less than for the previous one. The proportion of the intelligentsia is higher. Mindful of this situation, the CPSU Central Committee Politburo has adopted a decision to invite 350 workers and peasants to the congress.

The basic documents are being drawn up by the 28th party congress preparatory commission. It is divided into eight groups. Intensive work is being done in all of them, and drafts of the corresponding materials have been prepared. Newly elected congress delegates are being widely involved in studying them. In this the commission is seeking to take maximum account of the results of the precongress debate and to make use of the widest possible range of comments and suggestions, including those taken from alternative platforms, in order to create a broader base for consolidating healthy perestroyka forces. At the same time, V.A. Medvedev emphasized, the ideological and political bounds of these documents are being defined more clearly.

Active work is being done in the group on the draft CPSU Statutes. A number of changes and additions have been made to the document with regard to the comments made and an analysis of more than 50 alternative drafts. In particular, the rights of primary party organizations and CPSU members have been extended. It is proposed that the communist will in the future be able to choose which primary party organization he wishes to join—at his place of work or his place of residence. Suggestions with regard to questions of the party's financial activity mostly concerned the size of membership dues, which it is planned to reduce.

The party's vigorous parliamentary activity will be promoted by the point where communists elected to soviets of people's deputies will unite in party groups for their entire term of office. It is planned to establish a new organ—the Council of Representatives of Union Republic Communist Parties.

In addition to adopting the CPSU Platform and Statutes—the two chief documents of the forum—the need is arising to approve a number of special resolutions on the most acute and urgent problems. At the Politburo's suggestion these include resolutions on the CPSU's youth policy; on the CPSU's relations with other parties, public movements, and organizations; on the party press; on the CPSU's policy in the spheres of culture, science, and education; on countering nationalism, chauvinism, and separatism; on the socioeconomic development of the countryside; and certain others.

Speaking about the Russian Party Conference, which opens 19 June, V.A. Medvedev reported that it is proposed to place two items on the agenda: the creation of the Russian Communist Party; and the draft CPSU Central Committee Platform and the draft party Statutes. Both items will be covered in a single report, which will be delivered by M.S. Gorbachev, chairman of the CPSU Central Committee Russian Bureau.

The participants in the news conference answered journalists' questions.

Journalists Questions Viewed

LD1306222590 Moscow Television Service in Russian 1700 GMT 13 Jun 90

[Report by correspondent V. Stepanyuk at the opening of the press center for the 28th CPSU Congress and the Russian party conference; with recorded remarks by Comrades V.A.Medvedev, G.P. Razumovskiy and Yu. A. Manayenkov, all identified by screen caption; from the "Vremya" newscast]

[Text] The official opening of the press centre of the 28th CPSU Congress and of the Russian party conference took place in Moscow today. The conference opens next week, and the congress on 2 July. We will now show you a report from our correspondent on the opening of the

press center. I just want to add that Comrades Medvedev, Razumovskiy, Manayenkov and Kapto answered numerous questions from Soviet and foreign journalists. [video shows auditorium scene]

[Stepanyuk] Our country's communists will be represented by 4,700 delegates at the forthcoming congress. Most of them have been elected on a competitive basis from 20,000 candidates, Comrade Medvedev told journalists. Incidentally, three-quarters of the first secretaries of raykoms and gorkoms, and most leaders of oblast and republican party organizations were elected at conferences and congresses rather than at plenums, as used to happen. Unfortunately, only some 16 present of the delegates are workers and peasants. [video shows Razumovskiy, Medvedev, Manayenkov, Gerasimov and two unidentified men on the rostrum]

[Medvedev] Taking account of this situation, the CPSU Central Committee Politburo displayed its initiative and put forward the proposal to invite to the 28th CPSU Congress 350 workers and peasants, predominantly from among those who were nominated as candidate delegates and stood in constituencies or at conferences, but who did not win for one reason or another.

[Stepanyuk] Since this congress will be very much a working and internal affair, there are likely to be no invitations to foreign delegations. Speaking about the preparation of the congress's remaining materials, Vadim Andreyevich Medvedev noted, in particular:

[Medvedev] The policy being followed here is this: to take maximum account of the results of the pre-congress discussion; to take heed of the widest possible range of criticisms, proposals and opinions, including ones taken from alternative platforms, so as to create a broader base to consolidate the healthy forces of perestroyka; and, at the same time, of course, to clearly define the ideological-political boundaries of these documents, so that no ambiguity remains in this respect. As for the party's full-scale program, we are clearly not sufficiently ready to draw it up in any short time scale, even though it would probably be correct if the congress were to form a program commission and pose the task for the future of compiling such a full-scale program.

[Stepanyuk] There was a special conversation about guarantee for minority rights enshrined in the new CPSU rules:

[Razumovskiy] A minority may defend its position, first, in that body in which a different position, a different opinion, has, as it were, come into being—whether it be an elected leading body or an executive leading body—to defend it, moreover, without compromise, openly, with repeated discussions. In other words, the opportunities are being laid down here democratically enough to defend and prove one's own position, not just to propagandize, but even to secure, perhaps, precisely the decision on which the minority is insisting.

[Stepanyuk] The Russian party conference opens on 19 June. It is thought that, during its work, it will be transformed into the constituent congress of a Communist Party of Russia, which will take place in two stages. First, the election of the first secretary and the Central Committee; then a break for the period of the work of the 28th CPSU Congress; and then the continuation of work on the platform and rules of the Russian Communist Party.

[Manayenkov] As regards the participation of communists, there is the fear that the creation of a Russian Communist Party may, to some extent, set centrifugal forces in motion. For this reason, the draft CPSU rules contain a mechanism for seeing that a Russian Communist Party is an integral part of a united Communist Party of the Soviet Union. However, apart from that, we imagine that the people of Russia, the Communists of Russia, have always had a very great predilection for unity and collective endeavor, and their historical qualities and traits wil not permit these centrifugal passions to come to the fore.

[Medvedev] Well, you know what the problem is here. Approximately 60 percent of the membership—58 percent of the membership—of the CPSU consists of Russian Communists. So, as it were, by controling a packet of shares, a Russian Communist Party can decide any CPSU matter beforehand. Guarantees are needed here—guarantees that the interests of the communist parties of other republics will be taken into account.

[Stepanyuk] It is proposed that the shorthand records of the congress and the party conference, Comrade Medvedev noted, will be published in PRAVDA and SOVETSKAYA ROSSIYA, respectively. There will be live relays of the opening and closing of the congress and the conference, as well as accounts and recorded relays during the evening. Naturally, these matters will be settled definitively by the delegates, themselves.

Leading Figures Elected Delegates

PM1406084990 Moscow PRAVDA in Russian 13 Jun 90 First Edition p 2

[TASS report: "For the Party Congress"]

[Text] Saransk—Mordovia's communists have elected 18 delegates to the 28th CPSU Congress. They include the following: V.M. Vasin, leader of a team of fitters at the Saransk House Building Combine's No. 2 Construction Administration; Doctor N.K. Zorin from Kovylkinskiy Central Rayon Hospital; A.I. Berezin, first secretary of the Mordovian CPSU obkom [oblast party committee]; V.S. Uchaykin, chairman of the Mordovian ASSR [Autonomous Soviet Socialist Republic] Council of Ministers; N.V. Storozhev, general director of the "Mordovtsement" Association; and others.

Kalinin—Approximately 40 delegates will represent the Kalinin Oblast party organization at the 28th CPSU Congress. Among those who received mandates are the

following: A.I. Ilyenkov, first secretary of the party obkom; and L.A. Voronin, first deputy chairman of the USSR Council of Ministers.

Baku—An Azerbaijan Communist Party Congress has elected delegates to the 28th CPSU Congress. They include T.K. Ismailov, chief designer at the USSR Main Administration for the Creation and Utilization of Space Technology Space Research Science-and-Production Association; G.R. Ibragimov, drill operator at the "Neftyanyye Kamni" Drilling Work Maritime Administration; A.N. Mutalibov, first secretary of the Azerbaijan Communist Party Central Committee and president of the republic; N.S. Konarev, USSR minister of railways; O.S. Belyakov, head of the CPSU Central Committee Defense Department; and others.

Razumovskiy Chairs Meeting

PM0406140790 Moscow PRAVDA in Russian 2 Jun 90 Second Edition p 2

[Unattributed report: "Taking Account of Communists' Opinions"]

[Text] A session of a group of members of the CPSU Central Committee Commission To Prepare for the 28th party congress, who have been working on the draft CPSU Statutes in the light of the discussion under way in the party, has been held at the CPSU Central Committee. A number of delegates to the CPSU Congress took part in it.

It was noted at the session that the draft statutes are being assessed as a document that accords on the whole with the tasks of party renewal. At the same time, criticisms are being made about a number of provisions and numerous amendments are being submitted to strengthen normative guarantees for the democratization and organizational strengthening of the CPSU.

The session participants analyzed the comments and proposals received on the previously published draft statutes and expressed their opinion of them. It was deemed necessary to continue work on the draft statutes and to extensively involve the delegates elected to the 28th CPSU Congress in this work.

The session was addressed by: I.I. Melnikov, party committee secretary at the M.V. Lomonosov Moscow State University; S. Mamarasulov, first secretary of Tashkent Uzbek Communist Party Obkom [Oblast Committee]; A.M. Zaytsev, first secretary of Kemerovo Oblast's Belovo CPSU Gorkom [City Committee]; A.P. Rubiks, first secretary of the Latvian Communist Party Central Committee; K.V. Kondyrin, secretary of Gorkiy Oblast's Arzamas-16 CPSU Gorkom; V.A. Vylegzhanin, party committee secretary at the Kama Truck Plant, Tatar ASSR [Autonomous Soviet Socialist Republic]; R.A. Kenzhetayev, first secretary of Alma-Ata's Frunzenskiy Kazakh Communist Party Raykom [Rayon Committee]; V.M. Semenov, first secretary of Grodno Belorussian Communist Party Obkom; E.-A.A. Sillari, first secretary of the Estonian Communist Party Central Committee; S.A. Vegera, first secretary of Minskiy Ukrainian Communist Party Raykom, Kiev City; V.P. Tolstogan, party committee secretary at the "Uralmashzavod" Production Association, Sverdlovsk City; and Ye.S. Tsyplyashov, party committee secretary at the "Izhstal" Production Association, Izhevsk City, Udmurt ASSR.

The session was chaired by G.P. Razumovskiy, candidate member of the CPSU Central Committee Politburo and secretary of the CPSU Central Committee.

Interior Ministry Official Views Anti-Semitism

LD1406103690 Moscow TASS in English 1020 GMT 14 Jun 90

[By TASS correspondent Ruben Shirinyan]

[Text] Moscow June 14 TASS—Recent reports in the British press about the killing of several Soviet Jews by anti-Semites in the USSR are not true, Colonel Anatoly Sereda, department chief of the Soviet Interior Ministry, told TASS on Wednesday.

He said that several days ago THE DAILY TELEGRAPH newspaper published a letter from members of the European and British parliaments, in which they reported on the results of their visit to Moscow.

The purpose of the visit was to see if conditions in the Soviet capital are suitable for the holding a human rights conference next year.

They assert in the letter that after their return home, several Soviet Jews were killed by anti-Semites.

"Deplorably, there are separate manifestations of anti-Semitism in our country," Sereda said. "We do not deny this. Law enforcement bodies take the necessary measures to curb manifestations of chauvinism, nationalism, and anti-Semitism."

"Criminal proceedings have recently been started in Novosibirsk in connection with the circulation of anti-Semitic leaflets in the city, which were put into the post-boxes of local Jews," he said.

"Criminal proceedings were also started in Kiev for the circulation of provocative rumours about 'planned Jewish pogroms'".

"Moscow procurator's office is investigating criminl cases connected with the activity of some members of Pamyat society. There are other examples. We would be grateful to the authors of the letter to THE DAILY TELEGRAPH if they could inform us of specific facts confirming their statements," Sereda said.

Reportage on Peasants Union Congress Continues

Ligachev Addresses Congress

PM1306134190 Moscow PRAVDA in Russian 13 Jun 90 Second Edition p 4

[N. Musiyenko report: "'We Are Masters of the Land!'"]

[Text] The constituent congress of the USSR Peasants Union continued in Moscow yesterday. The morning session was addressed by Ye.K. Ligachev, member of the CPSU Central Committee Politburo and secretary of the CPSU Central Committee. He voiced the conviction that both currently and in the future our agriculture will be based on social ownership in the form of state and cooperative enterprises integrated with individual labor ownership, private farmsteads, and family farms. I advocate a perestroyka policy, he noted, which would definitely include continuity alongside improvements and transformations. The kolkhoz [collective farm] and sovkhoz [state farm] system is by no means exhausted—on the contrary, it has not yet fully revealed its enormous economic and moral potential.

Sharing his opinion on the future of peasant farms in our country, the speaker noted that Soviet peasants who have decided to work on these principles naturally need the support of the state and the Peasants Union. But the choice of forms of economic management should be a purely voluntary matter and economically justified, since our resources are not limitless. The secretary of the CPSU Central Committee talked about shortcomings in the leadership of agriculture. Among these he included the departure of party committees from the economic sphere in many areas, which has led in particular to the serious weakening of aid from the city to the country.

The speech stressed the need to resolutely strengthen the material and technical base of the agro-industrial complex and to ensure equivalent exchange between the city and the country.

The delegates then returned to the discussion of the report by I.I. Kukhar, chairman of the organizing committee to prepare for the congress. Painful words were again heard from the rostrum about the lamentable position in which the country's agriculture, food industry, and processing industry find themselves, and there was scathing criticism of the government.

"How long will we be bewailing our shortcomings and listing our innumerable problems?" A. Galinkin, chairman of Volgograd Oblast's "Pallasovskoye" Agro-Industrial Association, said. "We're not supplicants, we're the masters of the land, the country's breadwinners. Who can achieve a breakthrough in attitudes to rural working people apart from us? It is time to end the debates and embark on the elaboration of a specific action program and the organizational formulation of a peasants union."

However, M. Sopyyev in the chair stubbornly ignored this proposal, which was also heard in other speeches. And at one point emotions washed over the auditorium, with people lining up to take the microphones. Some of the speakers even demanded that an all-union peasants' strike committee be set up to bring industrial enterprise collectives and administrative organs "to their knees."

Indeed, there are many problems in the countryside. But they have to be resolved in a calm and businesslike atmosphere rather than through ultimatums. Confrontation is of no use to anyone, not least the peasants themselves. It can only lead to chaos. This opinion, expressed by one of the speakers, calmed people down and got the congress working constructively again. That evening the delegates adopted a congress resolution to set up the USSR Peasants Union, and started discussing its draft statutes.

N.I. Ryzhkov, Yu.D. Maslyukov, and Ye.S. Stroyev are taking part in the congress.

The congress continues today.

Ligachev Against 'Concessions'

AU1306213890 Paris AFP in English 2048 GMT 13 Jun 90

[Text] Moscow, June 13 (AFP)—Yegor Ligachev, the leading hard-line conservative in the Soviet Communist Party, spoke out Wednesday against "concessions being made one after another" in the country, the Moscow Radio publication INTERFAX reported.

"We are going through a very dangerous period," said Mr. Ligachev, a member of the party politburo, in a closing speech to the founding congress of the Soviet farmers' union. Mr. Ligachev is chairman of the Soviet central committee's commission on agriculture.

"Our party and the state are being threatened and the Soviet federation is in tatters," said Mr. Ligachev. "One concession is being made after the other. If we continue on like this, we are going to lose everything."

Mr. Ligachev, who declined the post of chairman of the farmer's union offered by delegates to the congress, stressed that his life "has not always been easy." "I have found myself at the centre of a bitter political power struggle, and there has been a series of attacks on me," he said. "I am convinced that I have adopted an honest position, however, and I intend to hold firm. I have never abandoned my principles."

Mr. Ligachev said he would speak his mind at a Russian party conference and the upcoming Soviet Communist Party's 28th congress.

Chairman Elected

LD1306185190 Moscow Domestic Service in Russian 1500 GMT 13 Jun 90

[Excerpts] The USSR Peasants' Union was formed, the rules were adopted and the ruling bodies were set up at the constitutent congress that has ended in Moscow

today. Vasiliy Aleksandrovich Starodubtsev, chairman of the Lenin Kolkhoz in Tula oblast, was elected chairman of the Union by a majority vote. [passage omitted]

Tasks Viewed

LD1406131390 Moscow Domestic Service in Russian 1100 GMT 14 Jun 90

[Interview with Yegor Kuzmich Ligachev, member of the Politburo and Secretary of the CPSU Central Committee, on conclusion of USSR Peasant Union founding congress in Moscow—recorded]

[Text] [Ligachev] First and foremost, I would like to say that, in fact, today marks the birth of a new public-political organization of our country—the Peasants' Union. It is a very great event in the life of our society. Essentially we are talking here of the 40 million people who work in the agro-industrial complex. I want to say that if such a public-political organization had been set up several decades ago, there would have been, honestly, as they say, considerably less mistakes in the elaboration and implementation of the agrarian policy of the party and state. This, then, is the first thing that I wish to say.

[Interviewer] All the more so since this union is, as we know, an independent organization.

[Ligachev] Yes. What is also very important is this: I want to just say a few more words and to answer questions. The first one is: What gave rise to the creation of this union? And the way I see the main, the chief directions of its activities. The creation, the setting up of this union has been caused, first and foremost by, it seems to me, the fact that the role of the peasantry in socio- political life has been enhanced, by the politicization of the peasantry, by the protection of the intererests of the peasantry, and, of course, by the democratization of our society.

Incidentally, the peasantry is worried by the fact that of late it has been very weakly represented in the highest state and party bodies. We have now elected the delegates to the congress...

[Interviewer, interrupting] The 28th congress?

[Ligachev] The 28th congress. It has transpired—and this situation is very strange—that 11 percent are workers, and this is also a very small proportion and that only four percent are collective farmers. Incidentally, in connection with this, the party Central Committee has very recently adopted a decision to delegate an additional 550 workers and collective farmers, so that the working class and the peasantry are well and properly represented at the congress.

Finally, this is how I imagine the main directions of the activities of this union, if one is to put it succinctly. The union will represent the economic, social, political, and cultural interests of the peasantry at all levels in our state. I think that it will promote very actively the development of a mass cooperative movement based on Leninist principles, on the basis of public ownership of the means of production. This is the main role. The union will be fully able, just as the government is able, to raise any questions concerning the life of our countryside and the peasantry in the Supreme Soviet and other bodies of Soviet power. Only after issues have been agreed with the union, with its leadership, will it be possible to commence the implementation of these issues.

[Interviewer] Yegor Kuzmich, I recall that such a peasants' union also exists in the FRG. They say that there it has a right to veto things, and if this peasants' union in the FRG fails to give its consent, even Kohl is unable to adopt a decision.

[Ligachev] I really do not know what it is like in the FRG, but recently I have returned from Sweden. Incidentally, we visited the Farmers' Union in Sweden. We were told—and this was confirmed by the farmers during our day-long visit to the farms—that it is a very influential public and political organization. And, as you say, in the FRG and also in Sweden, not a single fundamental, basic issue which touches on the farmers' interests can be resolved without the consent of the Peasants' Union.

I think we ought to introduce such a procedure in our state, too. Of course this should not be to the detriment of society. It ought to be done in close cooperation with the working class and the people's intelligentsia; but it must be without fail, so that the interests of the peasantry are taken into account.

[Interviewer] This is because, it is, after all, the peasant, agriculture that represent the foundation of life of the country—they feed us.

[Ligachev] Undoubtedly. It is also said that the countryside is the mother of all cities; it gave birth to the cities. At the same time, however, our outstanding Soviet writer Yegor Isayev put it this way: The countryside without the city is just like the cart without a horse. So, both are necessary.

[Interviewer] Thank you. I wish you luck.

Reportage on Miners' Congress Continues

Proceedings Reported

PM1306094190 Moscow KOMSOMOLSKAYA PRAVDA in Russian 13 Jun 90 p 1

[Report by "our special correspondents" A. Kalinin and V. Kosyak under the rubric "Topical!": "To the Congress from Underground"]

[Text] The first day of the miners' congress began with a minute's silence. The delegates honored the memory of the dead. It is well known that in the Donbass alone every million tonnes of coal takes the lives of two or three miners. Alas, the deputies were obliged to begin the second day of the congress with a minute's silence too.

The evening before disaster had struck at the Donetsk mine named for Zasyadko. It was a long time since there had been such a powerful emission of gas in the Donbass. Unfortunately, there are no effective means of protection. Five miners, mostly young boys, died. Two miners were taken to hospital in a grave condition. Mourning flags were at half mast at the entrance to the mine's administrative block. The circumstances of the tragedy are being investigated by a special commission. The city soviet has declared 14 June a day of mourning.

At yesterday's morning session the miners discussed social problems. Lunev, chairman of the central council of miners' trade unions, who spoke in the debates, tried to divert the arrows toward the government, the President, and the Ministry of the Coal Industry. But he himself was caught out: It was the central council which was opposed to holding the congress in Donetsk. Actually, both the government and Gorbachev are in trouble. Perhaps a resolution on the new government program will be adopted. The congress was presented with a draft appeal to all the country's workers calling on them to leave the CPSU as an organization which does not accord with the interests of the working class.

The congress appealed to the USSR Supreme Soviet and the country's working people.

"Proceeding from the situation which has taken shape in the country and the people's constantly deteriorating socioeconomic living conditions, we the representatives of the miners' collectives believe that:

"—the USSR government has failed to cope with the task of the country's emergence from the economic crisis and it cannot resolve vitally important problems;

"—the programs it is adopting are failing to ensure an improvement in the people's lives and are failing to make any radical change to the socioeconomic situation which has taken shape in the country;

"—the USSR Government does not enjoy our trust. We urge the working people of other sectors immediately to express their attitude toward the USSR Government;

"—the government, which is incapable of leading the country out of the economic crisis, should lay down its powers and resign;

"—we urge the USSR Supreme Soviet to reject the program presented by this government and to form a new government capable of leading the country out of the economic crisis with the least social losses. In forming the new government it must consider the opinion of all strata of the population and the country's democratic parties and movements. Only thus is it possible to obtain a credit of trust from the people."

Urge Government To Resign

LD1406093690 Kiev International Service in English 2300 GMT 13 Jun 90

[Text] The congress of miners under way in Donetsk, southern part of the Ukraine, has adopted an appeal to the USSR Supreme Soviet and the people of the country, which says that the Soviet Government failed to cope with the task of leading the country out of an economic crisis, and its programs do not ensure better living conditions for the people. Therefore, the government must resign. The miners called upon the workers of other branches to express without delay their attitude to the government. They also called on the Supreme Soviet to form a new government.

Union Trying To 'Wreck' Congress

PM3005142190 Moscow KOMSOMOLSKAYA PRAVDA in Russian 27 May 90 p 3

[Own correspondent V. Kosyak report under the "Stop Press" rubric: "Strike Committee Calls Congress"]

[Text] Nikolay Volynko, co-chairman of the Donetsk City Workers' (Strikers') Committee, announced on behalf of the organizing committee that the miners' congress will take place in Donetsk as scheduled, 11-15 June:

"Meanwhile, the Mineworkers' Trade Union Central Council is making attempts to wreck it," he went on. "Thus, a Central Council plenum, which was held on the spot in Gorlovka 23 May, called upon labor collectives to halt the nomination of candidates and the financing of the congress which, they say, is not needed, while the congress organizers were accused of intending to split the union. But after all, the union's standing regulations, adopted at the 15th congress, do not prohibit miners from uniting on a voluntary basis in associations or professional production sections for fuller expression of their specific professional interests."

Minister of the Coal Industry Shchadov would also like to gain some time. If the congress is held not in June but in August, and not in Donetsk but in Moscow, he promises to invite the president and the chairman of the Council of Ministers to it.

Decree on Freedom of Worship Bill Issued

WA1206185990 Moscow PRAVDA in Russian 6 Jun 90 Second Edition p 5

[USSR Supreme Soviet decree on draft law on freedom of worship and religious organizations]

[Text] The USSR Supreme Soviet resolves:

1. To approve in its first reading the basic provisions of the draft law on freedom of worship and religious organizations.

2. To publish the draft law on freedom of worship and religious organizations in the press for discussion.

3. That the USSR Council of Ministers will collate the citizens' proposals and observations expressed in the course of discussion of the draft law and submit the material to the commission for completion of the draft law by 15 September 1990.

4. That the USSR Supreme Soviet Legislation Committee with the participation of other committees of the USSR Supreme Soviet and standing commissions of the chambers will complete the draft law with regard for the proposals and observations expressed by the USSR people's deputies and received in the course of the discussion and submit the completed draft law for examination by the USSR Supreme Soviet.

[Signed]A. Lukyanov, chairman of the USSR Supreme Soviet.
The Kremlin, Moscow, 30 May 1990.

Draft Law on Freedom of Worship Issued

WA1206185590 Moscow PRAVDA in Russian 6 Jun 90 Second Edition p 5

[Draft USSR Law on Freedom of Worship and Religious Organizations]

[Text] I. GENERAL PROVISIONS

Article 1. Tasks of The Law

This law guarantees citizens' rights to the determination and expression of their attitude toward religion, beliefs in keeping with this, unimpeded confession of religion and the performance of religious rites, and also to social justice and equality and protection of the rights and interests of the citizens regardless of their attitude toward religion, and regulates relations connected with the activity of religious organizations.

Article 2. Legislation Governing Freedom of Worship and Religious Organizations

Legislation governing freedom of worship and religious organizations consists of this law and laws of the USSR and the Union and autonomous republics promulgated in accordance with it.

Article 3. Right to Freedom of Worship

In accordance with the right to freedom of worship each citizen independently determines his attitude toward religion and has the right individually or in conjunction with others to confess any religion or not confess any and to express and disseminate beliefs connected with his attitude toward religion.

Parents or persons substituting for them have the right to ensure that their children be raised in accordance with their own attitude toward religion.

No compulsion is permitted in a citizen's determination of his attitude toward religion, confession, or a refusal to confess a religion, and toward participation or nonparticipation in worship, religious rites, ceremonies, and the teaching of religion.

Exercise of the right to freedom of worship is subject merely to the restrictions that are necessary to protect public safety, order, health, and morals, and also the rights and liberties of other citizens determined by law and compatible with the USSR's international commitments.

Article 4. Equality of Citizens Regardless of Their Attitude Toward Religion

Regardless of their attitude toward religion, USSR citizens are equal before the law in all fields of civil, political, economic, social, and cultural life. Indication on official papers of the citizen's attitude toward religion is not permitted except in instances where the citizen himself so desires.

Any direct or indirect limitation of rights whatever and the establishment of some privileges for citizens depending on their attitude toward religion, as, equally, the excitement of hostility or hatred connected with this or injury to citizens' feelings, entail the liability determined by law.

No one may for reasons of his religious beliefs avoid performance of his obligations determined by law. Substitution of the performance of one obligation with another for reasons of one's beliefs is permitted only in instances provided for by USSR legislation.

Article 5. Separation of Church (Religion and Religious Organizations) and State

All religions and faiths are equal before the law. The establishment of any privileges or limitations on one religion or faith in relation to another is not permitted.

The state does not entrust the performance of any state functions to religious organizations and does not interfere in the activity of religious organizations unless it is contrary to legislation. The activity of state authorities, organizations, and officials may not be accompanied by worship and religious rites and ceremonies.

Religious organizations do not exercise state functions, do not participate in the elections and activity of state authorities and political parties, and observe the laws of the state and law and order. Religious organizations have the right to participate in public life and the activity of nonparty public associations and to utilize the mass media. Members of religious organizations have equal rights with the rest of the citizens to personal participation in political life.

The state contributes to the establishment of relations of mutual tolerance and respect between citizens confessing

religion and those not doing so, between the followers of different faiths, and also between different religious organizations.

Article 6. Separation of School and Church

The state system of education in the USSR is separate from the church; education is of a secular nature. Access to different types and levels of education is accorded USSR citizens regardless of their attitude toward religion.

Citizens may privately teach dogma and obtain religious education in the language of their choice individually or in conjunction with others, including at the home and at a religious organization.

Alternative: to add the third paragraph "teaching religious dogma in educational institutions in which general subjects are taught is not permitted."

II. RELIGIOUS ORGANIZATIONS IN THE USSR

Article 7. Religious Organizations

Religious organizations in the USSR are religious societies, agencies, and centers, monasteries, religious educational institutions, and also associations made up of religious organizations.

Religious organizations are formed and operate in accordance with their own structure and elect, appoint, and replace their personnel in accordance with their articles (regulations) also in compliance with the requirements of Section V of this law.

Article 8. The Religious Society

The religious society is formed by citizens for the purpose of the joint confession of belief and satisfaction of other religious requirements and operates on a voluntary basis.

The citizens creating it notify of a society's formation the executive committee of the rayon (city) soviet of people's deputies according to the place of proposed activity.

For a religious society to acquire the rights of legal entity the citizens which formed it who have reached 18 years of age numbering no less than 10 persons submit an application with the affixing of the articles (regulations) to the executive committee of the rayon (city) soviet of people's deputies according to the place of the society's proposed activity; the ispolkom [soviet executive committee] examines the application within one month and makes a decision on registration of the articles (regulations).

The articles (regulations) of a religious society acquiring the right of legal entity must correspond to the pertinent requirements of civil legislation. If a religious society considers itself a member of some religious organization, this is pointed out in its articles (regulations) and is confirmed by the corresponding religious agency or center. Otherwise the executive committee of the local soviet of people's deputies passes on the question for examination by the state authority for religious affairs, which notifies in writing the applicants and executive committee of the local soviet of its decision within a month's time.

Article 9. Religious Centers and Agencies

Religious centers and agencies operate on the basis of articles (regulations) registered with the state authorities for religious affairs of the USSR and the Union and autonomous republic on whose territory the given religious center or agency is formed and operates.

Religious organizations with directive centers overseas may be guided in their activity by the articles (regulations) of the latter unless Soviet legislation is violated here.

Relations of the state with religious centers and agencies, overseas included, are not regulated by law and are permitted in accordance with arrangements between the state and these centers (agencies).

Article 10. Monasteries and Religious Educational Institutions

Religious centers and agencies have the right to create monasteries and religious educational institutions, which operate on the basis of their articles (regulations) registered by the state authority for religious affairs of the Union and autonomous republic on whose territory they are formed.

Article 11. Religious Organizations as Legal Entities

Religious communities, agencies, and centers, monasteries, and religious educational institutions are legal entities from the time their articles (regulations) are registered.

Religious organizations as legal entities enjoy the rights and bear responsibilities in accordance with legislation and their articles (regulations).

Article 12. Refusal To Register Articles (regulations) of a Religious Organization

Registration of the articles (regulations) of a religious organization may be denied only in the event of their being contrary to legislation.

The decision on a refusal to register the articles (regulations) of a religious community or religious organization is forwarded to the applicants in writing with an indication of the grounds for the refusal. This decision may be appealed in a court of law.

Article 13. Termination of The Activity of Religious Organizations

The activity of religious organizations may be terminated only upon their liquidation in accordance with

their own articles or upon violation of the provisions of this law and laws of the USSR and the Union and autonomous republics.

A decision on termination of the activity of a religious organization is made by the body which registered its articles (regulations). This decision may be appealed in a court of law.

III. PROPERTY SITUATION OF RELIGIOUS ORGANIZATIONS

Article 14. Use of Property Which Is The Domain of The State, Public Organizations, Or The Citizens

Religious organizations have the right to use for their needs buildings and property made available to them on a contract basis by state and public organizations or the citizens.

Local soviets of people's deputies and state authorities may hand over to religious organizations for their ownership or use free of charge religious buildings and other property which is the domain of the state.

Decisions on the question of the transfer of religious buildings and property to religious organizations must be made no later than one month from the time of receipt of the corresponding petition with simultaneous notification of the applicants of this in writing.

Facilities and objects which are historical and cultural monuments are transferred to religious organizations and used by them in accordance with legislation.

Religious organizations have the preferential right to the transfer to them of religious buildings with the adjoining grounds.

Religious organizations enjoy land in the procedure determined by legislation of the USSR and the Union republics.

Article 15. Ownership of Religious Organizations

Religious buildings and objects, production, social and charitable facilities, monetary resources, and other property necessary for their activity may be owned by religious organizations.

Religious organizations have the right to own property acquired and created by them from their own resources, donated by the citizens and organizations or transferred by the state and acquired on other grounds envisaged by the law.

The ownership of religious organizations may include property located overseas.

Religious organizations have the right to appeal for voluntary financial and other donations and to obtain them.

Financial and property donations received by religious organizations and, equally, all forms of monetary receipts from the citizens are not taxable.

Article 16. Production and Economic Activity of Religious Organizations

Religious organizations have the right in accordance with legislation of the USSR and the Union and autonomous republics and their own articles to establish production, restoration, construction, and agricultural enterprises, and also charitable institutions with the status of legal entity.

Income (profits) from production activity exercised on the basis of the ownership of the religious organizations, except for resources deducted from this income for charitable purposes, is taxable in accordance with legislation of the USSR and the Union and autonomous republics in the procedure determined for enterprises of public organizations.

Article 17. Disposal of Property of Religious Organizations Which Have Terminated Their Activity

Following termination of the activity of religious organizations, the property made available to them for use by a state or public organization or citizens is returned to its former owner.

Upon termination of the activity of a religious organization, the property which it owns is disposed of in accordance with its articles (regulations) and given the participation of the organs of local power and administration.

Proceedings may not be instituted in accordance with the claims of creditors against religious property belonging to religious organizations.

Given the absence of a legal successor, the property reverts to the domain of the state.

Article 18. Protection of The Right of Ownership of Religious Organizations

The right of ownership of religious organizations is protected by law.

Religious organizations are obliged to ensure the safekeeping and use as intended of the buildings and other property transferred to them which is owned by the state.

IV. RIGHTS OF RELIGIOUS ORGANIZATIONS AND CITIZENS CONNECTED WITH FREEDOM OF RELIGION

Article 19. Religious Rites and Ceremonies

Religious organizations have the right to establish and maintain freely accessible places of worship or religious gatherings and also places which are revered in this religion or the other (places of pilgrimage).

Services and religious rites and ceremonies are conducted without hindrance in houses of prayer and on the grounds belonging to them, at places of pilgrimage, in establishments of religious organizations, at cemeteries, in crematoriums, and in apartments and homes of citizens.

Services and religious rites in hospitals, old people's and invalid homes, and places of custody pending trial and where sentence is served are conducted at the request of the citizens located in them. The management of these institutions assists in the invitation of clergy and participates in determination of the time and other conditions of the organization of the service, rite, or ceremony.

In other instances public worship and religious rites and ceremonies are conducted in the procedure determined for the holding of mass meetings and marches.

Article 20. Religious Literature and Religious Objects

Citizens and religious organizations have the right to acquire and use religious literature in the language of their choice, as, equally, other religious objects and material.

Religious organizations have a right to produce, export, import, and disseminate objects of worship, religious literature, and other information material of religious content.

Religious organizations enjoy the exclusive right to establish enterprises for the production of liturgical literature and religious objects.

Article 21. Charitable Activity

Religious organizations have the right to exercise charitable activity and participate in the Charity Movement both independently and through public foundations.

Donations and deductions to this end are tax-exempt.

Article 22. International Relations and Contacts

Citizens and religious organizations have the right on a group or individual basis to establish and maintain international relations and direct personal contacts, including trips overseas for pilgrimage and participation in assemblies and other religious activities.

Religious organizations may send citizens abroad to acquire a religious education.

V. LABOR ACTIVITY IN RELIGIOUS ORGANIZATIONS AND AT THEIR ENTERPRISES

Article 23. Labor Legal Relationships in Religious Organizations

A religious organization has the right to hire citizens.

Pay and other conditions of the labor of the employees, the clergy included, are determined by the religious organization according to an agreement with the employee and are indicated in the labor contract. A religious organization is obliged to register a labor contract in the established procedure and make the established deductions.

Citizens working in a religious organization on a labor contract may be members of a trade union.

Article 24. Labor Rights of Citizens Working in Religious Organizations

Labor legislation extends to citizens working in religious organizations according to a labor contract on a par with workers and employees of state-owned and public enterprises, establishments, and organizations.

Income from work in religious organizations obtained by the citizens, the clergy included, is taxed at the rates determined for workers and employees.

Article 25. Citizens' Labor Legal Relationships at Enterprises and in Establishments of Religious Organizations

Labor legislation, the procedure of taxation, and the social insurance and social security of workers and employees of state-owned and public enterprises, establishments, and organizations extend to all citizens working at production, restoration, construction, and agricultural enterprises and establishments religious organizations [as published] and also in charitable institutions which they have created.

Article 26. Social Security and Social Insurance of Citizens Working in Religious Organizations

Citizens, including the clergy, working in religious organizations are due social security and social insurance on a par with workers and employees of state-owned and public enterprises, establishments, and organizations.

To this end religious organizations contribute to the state social insurance fund and the USSR Pension Fund deductions from their income in the procedure and amounts determined by the USSR Council of Ministers.

All citizens working in religious organizations are granted and paid a pension on the same basis as everyone else in accordance with legislation.

VI. STATE AUTHORITIES AND RELIGIOUS ORGANIZATIONS

Article 27. Observance of Legislation in Religious Organizations

Observance of legislation of the USSR and the Union and autonomous republics on freedom of worship and religious organizations is ensured by the soviets of people's deputies and other state authorities in accordance with the powers accorded them by law.

28. State Authorities for Religious Affairs

The USSR State Authority for Religious Affairs is formed by the USSR Council of Ministers and operates on the basis of regulations approved by the USSR Council of Ministers.

The state authorities for religious affairs of the Union and autonomous republics are formed and operate in accordance with legislation of the USSR and the Union and autonomous republics.

Article 29. Jurisdiction of the USSR State Authority for Religious Affairs

The USSR State Authority for Religious Affairs:

coordinates the activity of the state authorities for religious affairs of the Union and autonomous republics;

examines and registers the articles (regulations) of religious organizations in instances provided for by this law;

monitors fulfillment of this law and, upon discovery of violations thereof, takes steps to remove them independently or through the appropriate state authorities;

assists at the request of the religious organizations in the achievement of agreements with state authorities and renders the necessary assistance on questions which need to be decided by state authorities;

represents the USSR Government at its behest in contacts with religious organizations;

represents the USSR Government in relations with establishments overseas which are the counterparts of the USSR State Authority for Religious Affairs;

contributes to the development of relations between different religious organizations;

participates on behalf of the state and with the consent of the religious organizations in the solution of conflicts between religious organizations in the USSR.

Article 30. Liability for Violation of Legislation on Freedom of Worship and Religious Organizations

Officials and citizens guilty of a violation of legislation on freedom of worship and religious organizations are liable as determined by legislation of the USSR and the Union and autonomous republics.

Article 31. International Treaties

If an international treaty to which the USSR subscribes determines rules different to those contained in the legislation on freedom of worship and religious organizations, the rules of the international treaty apply.

Rehabilitation Process Seen 'Virtually Complete'

PM0606115790 Moscow PRAVDA in Russian 6 Jun 90 Second Edition p 2

[Unattributed report: "At the CPSU Central Committee Politburo Commission To Further Study Material Connected With the Repressions of the 1930's-1940's and the Early-1950's"]

[Text] A routine commission sitting chaired by A.N. Yakovlev summed up the results of the commission's work since it was set up (September 1987) to date. It was pointed out that the process of rehabilitating the victims of the repressions of the 1930's-1940's and early-1950's was practically resumed and speeded up in the required fashion when the commission began its work—after a break in the mid-1960's. The mass media have begun to provide more objective coverage of the reasons for and consequences of the tragic past.

The CPSU Central Committee October (1987) Plenum decisions and the CPSU Central Committee resolutions regarding additional steps to complete the work of rehabilitating and perpetuating the memory of the victims of the repressions, along with certain political and legal acts, were crucial in promoting the favorable changes in the activity of the commission itself; and the adoption of the USSR Supreme Soviet Presidium decree of 16 January 1989, which ruled illegal the decisions of nonjudicial organs—the NKVD [People's Commissariat of Internal Affairs]-UNKVD [NKVD Administration] "triumvirates"; the United State Political Administration of the Council of People's Commissars Collegiums; and the NKVD-Ministry of State Security-USSR MVD [Ministry of Internal Affairs] "special conferences"—and rehabilitated citizens who were subjected to repressions under these decisions, is also linked with the commission's activity.

Approximately 1 million citizens were rehabilitated in the period 1988-1989 and early-1990. The number of people whose good name has been restored now exceeds 2 million. The rehabilitation of citizens in accordance with the USSR Supreme Soviet Presidium decree of 16 January 1989 is now virtually complete. Some 21,333 people who betrayed their homeland during the Great Patriotic War—members of goon squads, Nazi criminals, participants in nationalist bandit formations and their accomplices, former administrative personnel found guilty of falsifying criminal cases, and people who committed premeditated murder and other serious crimes—have been denied rehabilitation.

The process of restoring the honor of party members who were groundlessly charged with political crimes and subjected to repressions is under way at the same time. In the period 1988-1989 union republic communist party central committees, party kraykoms and obkoms [kray party committee and oblast party committee], and USSR Armed Forces political organs, along with the CPSU Central Committee Party Control Committee, have examined 11,839 personal cases of communists

who have been judicially rehabilitated. Some 11,399 of them have been rehabilitated within the CPSU. Some 440 people who committed actions incompatible with the rank of communist were not rehabilitated within the party.

A considerable amount of work has been carried out to rehabilitate some of the political emigres and representatives of communist and workers parties.

Further study of materials relating to the major political trials occupied a special place in the commission's activity. It has been established that these trials were all the product of tyranny and flagrant violations of legality. Materials relating to these trials were flagrantly falsified. There were in fact no "blocs" or "centers." They were invented. The people arraigned in the political trials have been rehabilitated judicially and within the party.

The commission drew attention at the same time to the need to adopt exhaustive measures to ensure the completion of the rehabilitation process. The victims themselves, their relatives, and their friends are waiting for truth and historical justice to be fully restored. That is what the Soviet public expects.

Being in possession of data regarding the extensive past use of falsified cases in the preparation and holding of political trials, the commission recommended that the USSR Prosecutor's Office, the USSR KGB, and the USSR Supreme Court finish checking out material relating to the lawfulness of the criminal proceedings against citizens tried under the so-called cases of the "National Union for the Struggle to Revive a Free Russia (the 'Academic Case')," the "Russian Social Democratic Workers Party (Mensheviks) Central Committee Union Bureau," the "Russian Nationalist Union," the "Participants in the Socialist Revolutionary Group in Moscow," the "All-Russian Republican Democratic Party" organization, the "Industrial Party," and the "Counterrevolutionary Conspiracy in Agriculture" ("Political Center"). As is customary, the party will examine the individual cases of citizens tried in these proceedings.

'Rebirth' of Russia Seen as Key to Future

PM0806101790 Moscow PRAVDA in Russian 6 Jun 90 Second Edition p3

[Article by Doctor of Juridical Sciences G. Litvinova under the rubric "The Party and Perestroyka in the Run-up to the 28th CPSU Congress": "On Russia, With Pride and Pain; Russian Party Conference Agenda"]

[Excerpts] Moscow—Among the multitude of problems troubling us today, one of the most important seems to be the future of our state, the Soviet Union. Will it survive in the form in which it has existed for more than half a century? What kind of changes await us, and are we ready for them? How can we channel the dissatisfaction that has accumulated in our society into creativity and rebirth rather than destruction? This concern permeates the section of the draft CPSU Central Committee Platform which discusses the new federation. The answers to these questions are becoming particularly important now, during preparations for the Russian party conference.

Recently we have become increasingly aware of growing centrifugal forces. Their causes lie in the excessive centralization which deprived the republics of independence in the solution of many local problems, and in the crisis phenomena in society's economic, social, and spiritual life resulting from flawed management. These and other factors have led to a situation where not only some union republics but also some autonomous republics are trying to change their legal status and the form of their national statehood.

What nation that had been part of the Russian state for centuries would refuse a close union with a rich, strong Russia whose prosperity did not impede but promoted the prosperity of all the nations united with it? However, the number of those eager to strengthen unity with a Russia that is discriminated against, that does not have equal rights, and that is ravaged and dying has diminished. One can understand how they feel. [passage omitted]

The paradox is that the republic that has turned out to be the poorest and most unfortunate is actually the richest one: Hundreds of tonnes of gold, millions of tonnes of oil and gas, and billions of cubic meters of timber leave its territory for sale every year. If the RSFSR [Russian Soviet Federated Socialist Republic] were able to dispose of this wealth sensibly, it would soon become the kind of republic to which all the peoples united in it would feel it an honor to belong. The lack of objective information on the contribution and consumption of every republic and region does not help to improve interethnic relations. If ordinary Lithuanians were aware, for example, that the rapid growth in capital investments in the Lithuanian economy after 1940 was to a considerable extent ensured by oil from Tyumen, diamonds from Yakutia, and gold from Siberia, they would hardly be likely to see secession from Russia as the best way to develop their own republic.

It is time we realized that the future of the USSR depends to a decisive extent on the possibilities of socioeconomic and cultural-political rebirth for Russia and the Russians and understood that the Russians, whose hands, minds, and hearts have created and continue to create the majority of the country's national income, are now facing a real threat of sociodemographic degradation. Other peoples of the RSFSR are finding themselves in an equally alarming situation. They have a low birth rate and life expectancy, their gene pool is deteriorating, and there are a growing number of children with serious defects in their physical and psychological development.

The rebirth of Russia and strengthening of the USSR dictate the need to adopt a complex of all-union and republic measures. This, actually, is what is being discussed at the Congress of RSFSR People's Deputies. It is thought that many of the present serious ethnic and economic conflicts would not have arisen in the first place or, if they had arisen, would not have had destructive force if legal acts aimed at preventing them had been adopted in good time. That is why it is so important to concentrate on law-making at this congress. Take the law on Russian as the state language of the USSR, for example.

The need for this law was discovered back in 1977-1978, when the state language problem arose as the USSR Constitution and constitutions of the union and autonomous republics were being drafted and adopted. Even then, the demand that Russian be recognized as the state language prompted dissatisfaction among the masses and even strikes. This question has only been resolved positively in the Abkhaz ASSR [Autonomous Soviet Socialist Republic] Constitution, which is still the only one of the 36 existing constitutions to recognize Russian as the state language (in addition to Abkhazian and Georgian).

Like any other state, the USSR cannot exist if dozens of state languages are going to function on its territory, with none of them recognized as the all-state language. The proclamation of the "indigenous" nation's language as the exclusive state language in a number of republics restricts the rights of those members of the population who speak a different language, mainly Russian, as well as the rights of the industrial working class, of which a substantial proportion—or even the overwhelming majority—are Russian: not only in the RSFSR but also in Estonia, Kazakhstan, and other republics.

A considerable number of problems and conflict situations have been caused by the delay in adopting an all-union law on the federation which specifically defines the conditions for joining and seceding from the USSR. The solution of these problems assumes observance of the principle of equal rights and opportunities for all peoples living in the territory of the state concerned and not just for the so-called "indigenous nation."

There is now an obvious need to develop the legal, political, economic, and other mechanisms that will ensure not only legal equality but real equality for Soviet citizens, irrespective of their nationality or length and place of domicile in the territory of any part of the USSR.

Russia's rebirth makes it a priority task to ensure that the RSFSR has equal cultural, political, economic, budgetary, social, and other status with the other republics. Can we continue to be reconciled to the annual transfer of more than R70 billion of the RSFSR's national income to the budgets of other republics and states? If these billions of rubles were left at its disposal, it would be able to pay a monthly allowance equivalent to the minimum wage for every child, resolve the most serious housing, economic, and environmental problems, and prevent villages and whole regions from dying out. The RSFSR can no longer fulfill the role of uncompensated donor, because it is too anemic itself.

Republic and territorial economic accountability is needed not only to strengthen the dependence of the population's prosperity on the results of its work but also to improve interethnic relations and economic, political, and cultural ties with neighboring republics, krays, and oblasts. While broadening the rights of localities and republics in the solution of their economic problems, we must not destroy the unified national economic complex that has evolved. Just imagine: Every modern enterprise now has some 22,000 production ties. Could they be painlessly severed by the republic's economic isolation? A severed hand artificially powered cannot work better than it did as part of a whole organism.

The solution of Russian problems is slowed down by the absence of republic mass media in the RSFSR. The republic does not have its own national Russian (as opposed to Russian language) radio and television, and this hampers the formation of national consciousness.

The Moscow patriotic forces' lack of media outlets—which the "Democrats" had in abundance—was one of the reasons why they were defeated in the RSFSR people's deputy elections. There were also other reasons. The fact of the matter is that tens of thousands of refugees, many of whom demonstrated their sympathy for patriotic forces by taking part in their rallies, were deprived of electoral rights. This was done on the basis of a decision by the Central Electoral Commission, contrary to the 27 October 1984 "Law on Elections of RSFSR People's Deputies."

Article 6 of the "Law on Elections of RSFSR People's Deputies" proclaims the following: "Citizens of other union republics on the territory of the RSFSR have the right to elect and be elected as RSFSR people's deputies on an equal footing with citizens of the RSFSR"; and Article 31 of the same law stipulates that "members of the electorate arriving at a new place of residence after the electoral list has been submitted for general perusal or who, by virtue of various circumstances, are not included in the main electoral list may be included **on the day of the elections** (the boldface is mine—G.L.) in a supplementary electoral list at the pollinmg station at their request production of their passport or other means of identification."

Concern was expressed in PRAVDA on 1 April 1990 about the fate of people who, having left the country to take up permanent residence abroad, would now like to return to the Soviet Union. It is proposed to grant them concessions for obtaining housing. A humane approach, although it applies only to a few dozen of our former citizens. For some reason, however, no one feels any concern about the far more serious problems, including housing problems, of the hundreds of thousands of

refugees who have abandoned their homes not in search of the good life or wishing to renounce their Soviet citizenship.

I think that concern for human rights must start with protection for our compatriots, and primarily with protection of their right to life.

Gdlyan, Ivanov Take Refuge in Yerevan

PM2605120590 Moscow MOSCOW NEWS in English No 20, 20 May 90 p 2

["Moscow Diary" report]

[Text] A committee in support of Gdlyan, based in the city of Zelenograd, Moscow Region, appears to be acting as chief adviser to two people's deputies, Telman Gdlyan and Nikolay Ivanov. In any case, for fear of the former investigators being arrested, this committee which has been pressured by the Procurator's Office for months has now passed a decision on the deputies' immediate departure from Moscow.

"This has been prompted by the Procurator's statement which, in our view, threatens the deputies' security in Moscow," said committee member Nikolay Promakhov. "Besides, Gdlyan and Ivanov were summoned by the Procurator's Office to come for an interrogation. We asked that they not do this."

Gdlyan and Ivanov have obeyed the committee and left for Yerevan, the Armenian capital.

Ministers Council Discusses Transcaucasus Refugees

PM2905141790 Moscow PRAVDA in Russian 28 May 90 Second Edition p 5

[TASS report: "At the USSR Council of Ministers"]

[Text] A conference at the USSR Council of Ministers yesterday was devoted to questions of taking immediate steps to help citizens who have been forced to leave their permanent residence in the Azerbaijan and Armenian SSR's [Soviet Socialist Republics]. Leaders of various ministries, departments, and soviet bodies took part in it. The conference was conducted by L.A. Voronin, first deputy chairman of the USSR Council of Ministers.

F.P. Kovrigo, first deputy chairman of the USSR State Committee for Labor and Social Problems; L.A. Gorshkov, deputy chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Council of Ministers; and Yu.M. Luzhkov, chairman of the Moscow Gorispolkom [City Soviet Executive Committee]; delivered reports on the steps being taken.

It was pointed out at the conference that a number of ministries and departments have recently paid less attention to resolving this topical social problem. There is a lack of clear coordination between the organizations involved with these questions. In a number of cases enterprises' personnel departments and militia branches in the localities are displaying a formalistic attitude to people who arrive there in accordance with ministries' quota system. Criticism has also been voiced of the mass media, which do not properly reflect the stabilization processes currently taking place in Azerbaijan or the proposals made by that republic's government for citizens who have temporarily left it to return, giving guarantees of their safety and the inviolability of their homes.

It has been decided to radically step up the work of USSR ministries and departments, the RSFSR State Committee for Labor and Social Problems, and also the USSR State Committee for Labor and Social Problems to aid people who have been forcibly deprived of their homes and jobs and urgently provide them with jobs and permanent or temporary housing.... The USSR Council of Ministers has established strict control over the execution of this decision.

Presidential Council's Anticrime Group Meets

LD0406164890 Moscow TASS International Service in Russian 1617 GMT 4 Jun 90

[Text] Moscow, 4 June (TASS) A meeting of the group set up at the USSR Presidential council on 27 March to coordinate the activities of the law protection bodies and the public in preventing violations of the law and combating crime was held under Aleksandr Yakovlev's chairmanship. Vladimir Kryuchkov, Vadim Bakatin, Venyamin Yarin, and Yakovlev, minister of justice; Vasilyev, first deputy procurator General; and Filatov, deputy chairman of the USSR Supreme Court, took part in the discussion on questions of ensuring observance of the law, law and order, and the safety of citizens.

Nina Andreyeva Views Role of 'Yedinstvo'

WA0506191490 Moscow ARGUMENTY I FAKTY in Russian No 22, 2-8 Jun 90 pp 4-5

[Interview with N. Andreyeva by INTERFAX correspondent V. Terekhov; date and place not specified: "'If We Come to Power...'"]

[Text] What does our society represent today? Along which path will it continue to develop? The most varied opinions are being expressed on this score. Today we offer for your attention the viewpoint of N. Andreyeva, who gained celebrity thanks to the article "I Cannot Waive My Principles." INTERFAX correspondent V. Terekhov interviews N. Andreyeva.

[Terekhov] You are an organizer of the all-Union "Unity—For Leninism and Communist Ideals" society. How big is this society and when did it emerge?

[Andreyeva] The all-Union "Yedinstvo" society is very young. It was one year old this May. It is gaining strength. It is gratifying that young people who are interested in history and who are themselves attempting to evaluate what is happening in the country are greatly attracted to our society. This is very agreeable for us. An

all-Union conference of our society was held in mid-April in Moscow. It was attended by delegates and committee leaders from 68 cities of the USSR.

We are not keeping count of the society's members, but I can say that in connection with the quantitative growth of the society itself we have considerably increased its coordinating council, which previously incorporated 29 persons. We are not maintaining a register of society members for certain subjective reasons. Specifically, the name "Nina Andreyeva" has at the present time become a common noun, and if you say that you are a member of the "Yedinstvo" society, this automatically evokes the corresponding negative response. We checked this out during the election campaign. For this reason many of our members do not advertise their affiliation to "Yedinstvo." I personally consider this correct and support them.

Besides, the society's rules record that it is not obligatory to advertise affiliation to the society, it is not obligatory to join it formally even. It is important to perform the corresponding work. And we are performing it among the population and among various informal organizations which adhere to a socialist platform.

We aspire to the unification of all patriotic forces. This will help not only Russia but also all the Union republics because all of us, wherever we live, are today essentially in the same trench of struggle against the country's capitalization. This is why we aspire to act as a united front, this is why the most important point for us is the unification of the patriotic forces on the correct Marxist Bolshevik basis.

[Terekhov] Do the society's members pay dues?

[Andreyeva] Our membership dues are minimal—four rubles initiation free and one ruble a year. We have no membership cards.

[Terekhov] Could your society be called a faction within the CPSU?

[Andreyeva] No, we are not advocating the creation of a faction. We believe that if the 28th party congress smothers the CPSU in a Menshevik embrace, we must leave it and raise the question of the creation of an all-Union Bolshevik-Leninist Communist Party. The name could be something different, this is not a matter of principle. What is important is what is being fought for. We are today even drawing up a program and rules of such a Bolshevik party because we believe that being in the same party as revisionists is unnatural for each communist.

[Terekhov] Will you be the leader of the new party?

[Andreyeva] If we look at the publication of the accounts of meetings of CPSU Central Committee plenums, we see that there are very many interesting and gifted people there. We have very many natural talents. I would even call them brilliant people, excellent organizers, and selfless, true patriots of their motherland, of our Soviet country. There will be no great difficulties over the leader, I believe. One could, for example, cite such people as Polozkov, Brovikov, and others. They may be seen also among the officials of the party apparatus who are being dismissed for being opposed to the capitalization of socialism.

[Terekhov] What is your attitude toward the need for economic reform in the country? You do not believe that we can continue to live and develop as we did earlier?

[Andreyeva] No, of course not. But I do not believe that socialism can be improved by capitalism. This is stupidity. The whole Western press is mocking us. When people speak of the market, with us they refer only to the capitalist market. We, however, believe that, given the socialist production mode, there is, naturally, a socialist market also. It determines its own supply and demand.

We are opposed to any private ownership because the introduction of private ownership will lead to the capitalization of society. You probably know that the classics even observed that any small-scale activities engender capitalism by the hour, by the minute. And there can be no other opinion here.

We are continually being told sugared stories about the market economy. But let us see how the situation is developing in Poland and Hungary, which are switching to market relations. Let us take Poland, for example. We have not as yet, thank God, reached the point of a housewife going to a store and buying one egg for dinner, as is happening in Poland.

Not to mention the unemployment and the violation of the principles of social provision under socialism which are being prepared for us. How can we accustom a person to labor while having at the same time made him interested in the results of labor? I believe that this needs to be done in such a way that he be paid for his labor depending on the quantity and quality of it. And, what is most important, that prices constantly fall, if only by three, if only by five kopecks. This is far more agreeable than a constant increase in prices. Prices may be lowered thanks to a reduction in prime output costs, as was the case in the USSR earlier, up to the 1950's.

[Terekhov] Let us assume you (your movement, rather) come to power. Do you intend in this case to revive the Stalin model, including his methods of combating dissidents and people who simply think, and to ban new political parties and informal organizations?

[Andreyeva] Your question is based on the propaganda claims which portray our history only in black. Our history has, naturally, been very complex and difficult. We were trying to build a socialist society, the system which the last five years have been rejecting. Mistakes were made, but they were of not only a subjective but also an objective nature.

And the period which is now being abused in every possible way, that is, the period when I.V. Stalin was at

the head of the party, was not only a period of mistakes but also of the achievement of big successes in the creation of industry and our defense might. It was this which gave us the chance to endure in the most arduous war. The punitive measures which occurred at that time have been perceived in exaggerated fashion.

Of course, there were excesses in the period of Stalin's leadership of the country, but the punitive measures were not only unfounded but also objectively necessary. Therefore the commissions which are dealing with the rehabilitation of persons who were subjected to punitive measures need to be extremely attentive and careful in vindicating persons who were unlawfully punished. True enemies of Soviet power, enemies of the working people who engaged in acts of sabotage, cannot be vindicated.

But to answer your question specifically, our society sets the task of a way out of the current crisis being found on the paths of the Bolshevization of the Communist Party, on the paths of a return to genuine Leninist standards of the organization of the life of society and to democratic standards of the solution of absolutely all problems.

[Terekhov] Do you support the policy of a multiparty system in the country?

[Andreyeva] I believe that a multiparty system in our society may only be socialist. I cannot even contemplate this multiparty system not being on a socialist basis. Parties which are not fighting for socialism cannot be afforded even the least opportunity for activity.

New 'Europe Plus Moscow' Radio Station Founded

LD0906220490 Moscow Domestic Service in Russian 0330 GMT 9 Jun 90

[Summary] The Evropa Plus Moskva [Europe Plus Moscow] radio station broadcasts music for Moscow and Moscow Oblast in stereo on 69.8 mhz VHF. This is the first commercial radio station in the USSR. A French joint-stock company was involved in setting up the station. It has been working for just over a month and has a great following.

Moscow-Yuzhno Sakhalinsk Air Service Launched

LD0306204990 Moscow Domestic Service in Russian 1950 GMT 3 Jun 90

[Text] On 3 June the Il-86 airbus started a regular Moscow-Yuzhno Sakhalinsk service. The airliner can carry twice as many passengers as its predecessor, the Il-62. The service comes into operation at an appropriate time, just before the summer holidays. With rare exceptions the islanders only use air transport to get to the mainland.

Moscow To Publish Weekly GLASNOST

LD2705215790 Moscow World Service in English 2100 GMT 27 May 90

[Text] A new weekly is to be published in Moscow under the title GLASNOST, the Russian word known now all over the world. It is sponsored by the Communist Party Central Committe for answers to letters addressed to the party leadership. The weekly will comment on the decisions taken on the issues and also on events in the country and abroad. The first issue will come out next month. It will look like, in its form and size, like another weekly ARGUMENTS AND FACTS, [ARGNMENTY I FAKTY] which also writes on public and political issues.

New Literary Monthly Published in Moscow

LD1006103990 Moscow Domestic Service in Russian 0800 GMT 10 Jun 90

[Text] The first edition of MOSKOVSKIY VESTNIK, a magazine for the capital's men of letters, has been issued in Moscow. It is a monthly publication, and will contain poetry features and critical articles by Moscow and Moscow Oblast authors.

Economic

Ryzhkov Answers Questions on Market Transition

WA1106190590 Moscow EKONOMIKA I ZHIZN in Russian No 23, Jun 90 pp 3-5

[Speech and answers to questions by N.I. Ryzhkov, chairman of the USSR Council of Ministers, at a meeting with Moscow workers chaired by EKONOMIKA I ZHIZN chief editor B.G. Vladimirov, recorded by M. Panova, P. Korotkov, A. Mateveyev, and V. Maleyev; place and date not specified; first two paragraphs are newspaper's introduction: "Market-Prices-Social Protection"]

[Text] The fundamental choice has been made. The country's economy is preparing to work under conditions of market relations. What will they be like? Will society accept the government concept of controlled transition to the market? Fearing the decisions, which are difficult but now sorely needed, will it not remain as before at a standstill? How will the transition to the market be reflected in the results of management of the workforce, wages, and the working people's living standard? To what do the measures pertaining to the social protection of the population under the conditions of market economy amount? These and many other questions were discussed concernedly in a candid atmosphere at a meeting of N.I. Ryzhkov, chairman of the USSR Council of Ministers, with working people of Moscow organized by the EKONOMIKA I ZHIZN editorial office.

L.I. Abalkin, deputy chairman of the USSR Council of Ministers; USSR Finance Minister V.S. Pavlov; G.I. Yanayev, people's deputy of the USSR and chairman of

the AUCCTU [All-Union Central Council of Trade Unions]; V.I. Shcherbakov, chairman of the USSR State Committee for Labor and Social Problems; V.K. Senchagov, chairman of the USSR State Committee for Prices; and USSR People's Deputy V.N. Yaroshenko also took part in the meeting. The meeting was chaired by B.G. Vladimirov, chief editor of the newspaper. In this issue of the weekly, our readers may familiarize themselves with the speech at the meeting by N.I. Ryzhkov and his answers to the questions that were put.

[Vladimirov] We are today conducting another meeting with working people of Moscow and the workers. Such meetings of the team of writers and the editorial office group of the newspaper EKONOMIKA I ZHIZN with its readers are held regularly and have become a tradition. They are addressed by prominent scientists, public figures, and politicians and leaders of our state. They describe urgent economic problems and answer questions. Nikolay Ivanovich Ryzhkov, chairman of the USSR Council of Ministers, is taking part in our meeting today.

Our meetings have already cultivated their own style. An in-depth and considered, although very keen, discussion of urgent problems of the country's economic and social life takes place. We reflect together on what is most important and most tense in our life. It is not power of voice but force of argument and strength of reason, which cannot be gauged in decibels, that predominate at the meetings. It is for the country today a pivotal, decisive, critical time. We surely all understand that this transition to a market economy is inevitable. In what way to switch to the market? How to ensure the social protection of the working people and the whole population, particularly its needy categories, against the vicissitudes of market relations? These questions concern each of us. It is these that we will be dealing with today.

[Ryzhkov] I would like to say first of all that I am an active reader of the newspaper EKONOMIKA I ZHIZN. Despite the fact that I have every day to analyze a mass of every conceivable type of information, for all that I begin every Saturday by reading this paper. I have always liked it very much. And I started reading this paper when I was still working in the Urals. In it I would always find answers to the questions that interested me. We are seeing how before our very eyes the policy of now one, now another newspaper is changing, how the editorial offices are at times adapting themselves to some subjective mood or other. But the EKONOMIKA I ZHIZN paper firmly pursues its own policy and this is greatly to its credit.

The meeting of the USSR Supreme Soviet, which discussed over four days the government report on the country's economic situation and the transition to market relations, has just ended. I would like to tell you that this was, evidently, the most difficult and most complex report in my life. And not because we found the way toward it difficult but because it really does concern questions of the further development of our state and our society that will fundamentally change our present life and the prospects of future generations. I realized that this report would not evoke particular delight, that it would not be accepted by the people right away, and that a certain amount of time for comprehension of the problems which had been raised would be needed before we ultimately understood in depth what we needed to do.

Last December, as you know, the government submitted for examination by the Second Congress of USSR People's Deputies a program of economic recovery and subsequent stages of the development of the economic reform. The congress adopted a decision on transition to a market economy. The mission of the concept which we reported several days ago, however, was to suffuse with content the program approved at the Second Congress of USSR People's Deputies.

The question I am now often being asked is: What happened, has the December program fallen through? Why have hurried preparations on a new one begun? It would be wrong to think that the program adopted at the end of last December and geared to a six-year period would be canceled after two or three months. Yet it was proclaimed: The program has fallen through so something, therefore, had to be done. The decisions of the congress cannot be treated so disrespectfully. And drawing conclusions as to the fate of a program geared to a term of six years after three months is at the very least unserious.

Following the congress we began to fill this program with specific content. It was necessary to see how to switch to the market and what stages of economic reform confronted us. Work was performed as of March on preparation of the appropriate document, and groups of specialists were formed to study of the problems which had been proposed to a USSR Supreme Soviet session. The work was quite complex and ambivalent. There were continual arguments. We realized that we had to confer with scientists and specialists and that we had to utilize both our own experience and the experience of other countries. In parallel with the fact that groups of specialists were at work, we enlisted a large number of enterprise executives and kolkhoz [collective farm] chairmen and conferred with them. We held meetings with financial experts, bankers, scientists, and the chairmen of the governments of the Union republics. There was a very comprehensive discussion.

I wish to emphasize that no one is now in any doubt that we need to switch to the market. This is the most important thing. More than 100 people's deputies spoke in discussion of the report and on the draft decree altogether. Many proposals of all possible kinds were expressed, but there was not a single person who said that we should not switch to the market. Everyone realizes that we have exhausted the possibilities of the former system of management and the rigid planned-distributive system in which we have lived for many dozens of years.

We were continually confronted by one main question: How, in what stages, in what ways to move toward a market economy? Some people believe that we need to switch to the market at once. A market which is self-regulating. That is, that we should immediately free all prices in order that they determine the market and supply and demand. Given this solution all commodities and all material resources—be these material-technical products or consumer goods—should, figuratively speaking, win the approval of the market and be regulated by it. This way is of course very radical. This is the path for which Poland has opted. But we have not taken it and I am convinced that we cannot. Neither has the public consciousness ripened, nor has the economic infrastructure for this been created with us. A whole number of market-regulating institutions is lacking. We do not know what we are talking about when we speak of compensation for inflationary price rises and indexation. We cannot enter the market unprepared. Transition to a free market under these conditions would lead to colossal upheavals in society. Even what we are proposing, and this is not that radical, will be keenly felt. But were we to say today that prices could rise tens, hundreds of times as in Poland and Yugoslavia, we would not be in a position to live and administer in our country and would undergo a very serious economic and political crisis.

The government has proposed the version of a controlled market economy. What are its salient features? We believe that in the sphere of pricing it is necessary to conduct a reform and bring all prices into line with actual conditions. Everyone is today mainly interested in retail prices, but the reform also encompasses wholesale prices of industrial engineering products and purchase prices in agriculture. Without this we will not be in a position to move the economic reform forward. But our opinion is that the prices of products of the base sectors of the national economy need to be retained in the hands of the state. Some products should be sold at free prices. Given this approach, we will support the frame of the economy and prevent unchecked inflationary processes from developing. As far as retail prices are concerned, we believe that it is necessary to proceed by the following "rungs." First, to bring our retail prices into line with costs and see how events develop further. Then, as they say, to free them and make them dependent only on supply and demand and the market situation.

Such is our model. Why have we opted for precisely this version, particularly in respect of retail prices? Because we understand that if we ourselves raise prices we will be able to compensate the people for the costs. This is still a controllable process. But there is no escaping the fact that we need to raise prices. To believe that current prices correspond to socially necessary outlays is to err profoundly.

The second distinguishing feature of a controlled market economy is that the production of approximately 40 percent of industrial engineering products will be in the hands of the state. The rest is to be regulated by the market. I believe that this is as much as is needed for a start. After all, direct relations between enterprises have not yet been established with us. And what is happening today? We have recently been encountering commodity exchange in kind. And this is happening because the ruble is not working. Were the ruble working, no one would be exchanging timber for meat, as they say. For this reason we propose here also on the producer goods market partial regulation and use of the government order, not to mention other economic levers which in any state regulate economic life—taxes, credit interest, and so forth.

And the most important thing I would like to mention is this. We are proposing a set of measures, not only a change in retail prices and prices generally. Prices are only one component, and a small one at that, of the economic transformations. The transition to a market economy encompasses a very large set of economic measures of all kinds. Many new decisions and ordinances are to be adopted.

Of course they include fundamental laws and decrees which are in the future to determine our economic life. For example a new law on taxation. Individual economic rules are in effect at the enterprises in this five-year plan. Enterprises that are operating well contribute to the budget more and assist some people. Those operating inadequately, on the contrary, receive things from some people as a redistribution of part of the financial resources. That is, leveling tendencies operate. We need, of course, to switch to a uniform tax. Heated arguments are under way currently in this connection in the Supreme Soviet. I will not say what the tax should be: 55, 60, or 45 percent. Just one thing is important: If we intend to implement some centralized measures and fulfill big programs which have been adopted, the tax must consequently be greater. If there is no need for us to implement such programs, the tax could be less. But we have, after all, already passed laws on pensions and programs pertaining to the non-Chernozem and elimination of the consequences of the Chernobyl accident. And it is from this that we must now proceed in speaking of the tax rate.

Besides the law on taxation there is a whole number of measures that have to be adopted and that are to fundamentally change economic relations. We have to create certain labor-inducement mechanisms. We will create economic mechanisms that force us to "spin" faster and work more efficiently and, consequently, we will live better and opportunities for tackling the questions that are ripe today will emerge. This is the most important thing currently.

One further very serious question arises which is asked frequently and which troubles people greatly. It is a question of unemployment. To be honest, our press has been "stoking" it quite strongly. Figures have appeared—from heaven knows where—concerning 10

million unemployed, and 15 million is cited at times. Of course everyone is wondering: Might I not be among them?

That the new economic mechanism will force everyone to work better and more productively is beyond question. It is for this reason that we are implementing the economic reform. It is for this reason that new taxes and a reform of the banking and credit system will be introduced and that credit interest will change. Credit resources here are very cheap, incidentally—a rate of 2.4 percent on average. It is not surprising that the enterprises do not economize on money all that much. Enterprises that have counted primarily on the assistance of the budget and the ministry will be forced to reconsider their former approaches. Unprofitable and loss-making enterprises will either have to alter their profile or change the form of ownership or increase labor efficiency, the latter of which is the most desirable. But it is perfectly obvious that a number of enterprises will be unable to operate in this market system.

However, it does not follow from this that our mission is to create unemployment. In my view we are not threatened by unemployment. There are in the country today approximately 10 million job vacancies. You yourselves see many announcements saying that specialists and workers are wanted....The main question therefore today is not one of it being necessary to create new jobs, although we have areas where this is necessary—Central Asia, the Transcaucasus. It is necessary today to create a worker retraining system. If, for example, a worker has been a lathe hand and his plant has for some reason or other had to close, it will be necessary to retrain him for a different specialty. In order to utilize these workers it will be necessary to introduce at another plant second and third shifts inasmuch as our mechanical engineering workers works only one shift. There are many jobs in the country which need to be filled as well as services which are very inadequately developed with us. Workers are needed here also. But, nonetheless, this problem should not be underestimated. It is necessary to view matters realistically, the scale of those released will be considerable. It is necessary to create a new system of providing employment and worker retraining. Such a law is now in preparation.

A few words about social protection in connection with the proposals that have been expressed by the government in respect of price reform. We need to devise a compensation mechanism. This is the most important thing. Why did we consent to an initial one-time increase in retail prices? The planned control of this process makes it possible, as distinct from a transition to free pricing, to compensate the population's losses in an organized fashion. The proposals which have been submitted will, it is estimated, make for a R198 billion increase in retail prices.

In the government's opinion it is necessary to return to the people 70 percent of the price increases in the form of compensation. To speak of foodstuffs the compensation is to constitute R108 billion. What does it not include? Alcoholic beverages, tobacco products, and certain delicacies.

It is proposed to compensate fully for the price increases in respect of consumer goods in daily demand. Understandably, such an approach is ruled out for jewelry items as well as for individual types of intricate home appliances. It is particularly important that the needy strata—pensioners; students; invalids; large families; and people in receipt of fixed incomes, office workers, for example—not lose out on account of the price increases.

The approximate compensation with regard for the level of increase in prices of which we have spoken was given in a report published in the newspapers. The calculations of the compensation were made with children being taken as the starting point. This is a very serious matter, which was present during our discussions. I believe that we have done the right thing here.

There were, after all, the following proposals: one value of compensation for Central Asia, another for the center. It was also proposed making compensation dependent on the number of children. We gave this problem a great deal of study and decided to be guided by one principle—children are children both in Central Asia and in Belorussia. We must compensate everyone for children.

There have been very many questions concerning compensation in respect of working persons. We have proposed two versions. One is as follows. It is proposed dividing the overall increase in prices subject to compensation among all working persons. The attraction of this version is that it is particularly beneficial to the needy. But the question then arises: Is this fair to those who work in the North—Magadan, Kolyma, Norilsk? Wages there are after all entirely different and requirements are different; more meat and warm clothing are consumed there....We therefore believe that the leveling approach is unacceptable. Nor is it any good for either the highly skilled workmen in the center of our country or those employed in heavy physical labor.

We therefore proposed taking a different path: establishing compensation payments of the order of 15 percent of the average wage but not less than R40.

Income indexation will be required as the transition to free prices is effected. But for this we need to have a "consumer basket," a set of products and commodities consumed by different categories of the population. We are working on these questions together with the unions. Income indexation is a second stage and will be implemented somewhat later after experience of compensation has been accumulated.

And, finally, you know that the government requested the introduction of a change in the price of bread as of 1 July. For what reason? We are in a paradoxical situation: We purchase a huge amount of grain overseas—44

million tons in this agricultural year. But the irresponsible attitude toward bread is leading to us losing and throwing out much of it. Our opinion is this: It is necessary to raise the price of bread. But the entire sum of revenue obtained from the price increase is to be given back to the population. For a family of four—two persons in work and two children—the monthly compensation for the increase in the price of bread and bakery products will constitute approximately R40.

Permit me to answer questions which have been received.

Here is a note that says: We thank the government for the decision on measures to improve medical services and social security for the persons who took part in eliminating the consequences of the accident at the Chernobyl AES [Nuclear Electric Power Station]. A good note—I get virtually no gratitude these days. But at the same time one wonders: Would we be able to fulfill this decision under market conditions?

We are obliged to fulfill it. We must fulfill all the programs we adopt and "inscribe" them in the market economy. Were we to agree to let market relations develop and were we to abandon the programs which we had adopted, then you yourselves understand that there would be no confidence in the Supreme Soviet and the government.

[Question] Have you been elected a delegate to the 28th CPSU Congress? Where?

[Ryzhkov] Yes, I have been elected a delegate to the congress. I was elected in Moscow's Leningradskiy Rayon and obtained 62 percent of the vote. There were 10 candidates for the one seat.

[Question] What is the situation currently concerning speculative demand? What does the government intend doing to combat it? Will it increase as the market approaches? What is your attitude toward the measures proposed by the Moscow City Soviet?

[Ryzhkov] The situation in the country is bad as yet. The first wave of speculative demand occurred in the Ukraine and Belorussia. Everyone links it with my interview prior to the report at the USSR Supreme Soviet session. But in fact speculative demand has been going on for several months, since it became known that the government was working on a concept of transition to the market. Which is interesting. The first wave of increased demand for bread and bakery products occurred in areas which were affected by the war. People still remember what bread means.

Now, since the report at the session, the commotion has encompassed all areas of the country. We hope that, for all that, the situation concerning foodstuffs will in time stabilize. Many of them cannot be purchased for future use. In my final remarks today I specially cited figures pertaining to compensation for the price of bread. We are convinced that as soon as people receive this compensation they will no longer be purchasing as much bread in order to subsequently throw it away. But redistributive processes will begin. Some part of the money obtained in the form of compensation will evidently be directed toward the purchase of some other commodities.

As yet, however, speculative demand continues. What is to be done? Decisions need to be adopted locally. Today even food products are being sold on the basis of a city or rayon's daily sale norms. I believe that this defensive reaction is correct. And we evidently need to go this route meanwhile.

What will happen subsequently, as 1 January approaches? I believe that the people will regain their composure to some extent. But it cannot be expected that there will not continue to be speculative demand. Protective measures will have to be adopted subsequently too.

The Moscow City Soviet adopted the decision to introduce trade in the capital according to identification papers for Muscovites. I believe, and may the people of Kalinin and Tula not hold it against me, that the Moscow City Soviet did the right thing in this case.

[Question] What is your attitude toward private property under market conditions?

[Ryzhkov] It seems to me that in our understanding of private property we proceed from the market relations that existed back in the 19th century. But nowhere in the world are there such relations these days. There are many directions of the denationalization of property. These include primarily leasing, stock enterprises, and collective ownership. For example, trade outlets and small cafes could be handed over to tenants—family or individual. I am convinced that this will improve services and increase the efficiency of management. Medium-sized and large enterprises could perfectly well be stock enterprises and be collectively owned. That is, there are many new forms which will make it possible to efficiently develop production on a democratic, collective basis.

[Question] How do you view the path of the reform if the Ukrainian SSR [Soviet Socialist Republic] does not accept the concept of an increase in retail prices and if its example is followed by Russia?

[Ryzhkov] Unless this concept is accepted by the Ukraine or Russia, there will be no pricing reform. But there are, after all, basic principles of relations in our federation. I have made a close study of the documents concerning the federal arrangement of the USSR. And what was accepted then, in 1922, remains most important in our federal system. This is what unites people, unites the republics. In this case it is a question of a policy of monetary circulation which should be uniform in the country. And the path which is being proposed by the Baltic republics—introducing their own currency of

krona, litt, and so forth—leads to a confederation, that is to a different state arrangement. Within the framework of a federation, however, the approach to regulation of the market economy, monetary circulation, and pricing should be uniform.

[Question] Would it not be better to accomplish the transition to the market not by way of price reform but with the aid of the mobilization of available potential?

[Ryzhkov] I believe that this is in practice unrealistic. We have very little in the way of potential and our economy is largely living on credit. The country's currency situation, for example, has approached a point where there is a danger of loss of confidence in the Soviet Union as a reliable partner. For this reason there can be no question today even of any potential: it has virtually all been exhausted.

Other proposals like, for example, switching to free pricing instead of a one-time increase in retail prices are encountered also. But this would be many times worse. Uncontrolled pricing would hit the needy hard. The state's opportunities for granting them social protection would be diminished here.

[Question] Were alternative drafts of the concept of transition to a controlled market economy examined?

[Ryzhkov] We examined many alternative drafts. And we will in the future continue to cooperate with all scientists and specialists and any group of people with constructive proposals. The government is open to direct and honest discussion on the paths of transition to a market economy. However, many people prefer to criticize the government's proposals from a platform instead of participating in joint constructive work.

[Question] What would you distinguish as the main condition of successful transition to the market?

[Ryzhkov] The most important thing is that people have confidence in the government and an understanding of the fact that it is not about to cheat anyone. We realized what we had undertaken and knew that the attitude toward the proposed measures would not be unequivocal. But we deemed it necessary to tell the people the truth. Otherwise there would be no emerging from the crisis. National concord will not result from a half-truth or "rounded" sentences.

[Question] Upon transition to the market a recession is inevitable. What are the opinions on this score?

[Ryzhkov] At the first stage, 1991-1992, the situation as regards investments will be difficult. It will be necessary to reduce capital investments sharply. Of course, this will apply to a lesser extent to the social sphere—the construction of hospitals, schools, kindergartens, and so forth. In the production sphere, however, capital investments are to decline 30 percent. Understandably the level of production will fall also. It is estimated it will decline in this period three to five percent. But our job is to seek to ensure that the production of consumer goods and services grow even under these conditions. We are laying great store by conversion here.

[Question] The press, EKONOMIKA I ZHIZN included, has reported that on account of nonfulfillment of the plan in cash terms the above-plan emission of ready cash is occurring in the Baltic republics. And these republics are appealing to the center to underpin the republic banks with ready cash. But, after all, on the switch to republic currencies this money will prove to be nonmaterialized in commodity terms and will be presented for the purchase of commodities in other regions of the country. Will this not lead to the disarray of monetary circulation?

[Ryzhkov] This is a most complex issue. Indeed, the above-plan emission of ready cash is occurring in the Baltic region, and it is constantly turning to the center for assistance. We respond: Learn how to manage. They are receiving no money over and above what has been authorized in accordance with the plan. I would note the following also. In connection with the complex political situation which has taken shape in this region, many inhabitants of the Baltic are withdrawing their savings and transferring them to neighbors' savings banks, to Novgorod and Pskov oblasts and Belorussia.

[Question] Nonetheless, monetary reform would seem essential. Does the government have any calculations pertaining to withdrawal of the surplus money supply? Is this possible given an increase in prices?

[Ryzhkov] I shall, perhaps, cause unhappiness among part of the population but I shall repeat once again that I am opposed to monetary reform in the form in which it is proposed, opposed to regressive monetary reform. It cannot be implemented nor need it be. And the concept proposed by the government deals with this. It seems to many people that we could in this way confiscate money from the smart operators of the "shadow economy." But this is a delusion. Just take a look at the structure of the deposits in savings banks; this information has been published. The bulk of the deposits consists merely of several thousand rubles and what is more, accumulated by people throughout their life by conscientious labor. We have calculated that to withdraw R20-R25 billion it would be necessary to confirm by declarations of income savings from R1,000 up. Against whom would monetary reform be directed in this case? Against those, it transpires, who have for many years been setting aside R10 notes in order to purchase themselves something or other and provide for an worry-free old age.

We must value the confidence which there is among the population in the savings bank and concern ourselves with strengthening it. In the event of an increase in inflationary processes, and this will necessarily happen upon transition to the market economy, we will have to concern ourselves with protecting the deposits against depreciation.

[Question] What is your attitude toward the creation of stock companies, might they assist economic recovery?

[Ryzhkov] I have a positive attitude toward this. I believe that the quicker we switch to joint-stock companies, the greater will be the development of incentives to labor for each worker. He will feel himself to a greater extent to be master at the enterprise and will have an interest in working better.

[Question] How do you view the speech in the Supreme Soviet by USSR People's Deputy G. Filshin and his criticism of the government and the concept of transition to a market economy which it has proposed?

[Ryzhkov] It seems to me that G. Filshin's speech had little connection with a market economy. I do not know whether he realized this himself or not, but when he began to ask why resources had been directed here and not there I at once recalled the former administrative-distributive approaches to the compilation of five-year and annual plans when we determined from the center into which sectors and spheres of the economy to channel monetary resources. We will always lend an ear to Comrade Filshin's useful advice, but what does no good we will leave alone.

[Question] Were there differences among members of the government on the concept of transition to the market?

[Ryzhkov] Of course. There were very big arguments. Everyone had an opportunity to express his viewpoint. As head of the government I consider this perfectly normal. But the program which was submitted for discussion by the Supreme Soviet is our common document. There are no disagreements on it among us.

[Question] What, in your view, are the main difficulties that will be encountered en route to a market economy?

[Ryzhkov] I will not talk about the structural changes in the national economy and the new forms of ownership. All this is very important and very complex. But the main difficulty, nonetheless, is the psychological factor. The public consciousness is not yet prepared for such radical changes and the transition to market relations. The most difficult thing will be abandoning the stereotypes that have evolved. I have convinced myself from numerous meetings with work outfits, during the time of my election as delegate to the 28th CPSU Congress included, that far from everyone has a clear idea of what is meant by a market economy and what awaits us. I have the impression that many people imagine a future market economy to be like the capital's Central Market. We need to persuade people that the market toward which we are moving has nothing in common with this or with any other kolkhoz market. We need for this reason to describe what market relations represent and to clarify man's role and place in them.

A market economy cannot be created without the appropriate laws also. And the law making far from satisfies us as yet. And the laws which have already been enacted are frequently not being fulfilled. We have no worship of the law, if you will. We have grown accustomed to living in accordance with various instructions and even under conditions of lawlessness to a certain extent.

[Question] How will the price rises be reflected in pensions?

[Ryzhkov] We will act in accordance with the enacted Pension Law. If there are extra payments compensating for price increases, they will be added to pensions also. In the event of the use of free prices and an increase in the cost of the commodities which are a part of the "consumer basket," pensions also will be indexed accordingly. Of course, we will concern ourselves primarily with pensioners under the conditions of a market economy.

[Question] What miscalculations and losses have been allowed to occur in the course of the economic reform? And have they not been the reason why there has been a sharp deterioration in the situation on the consumer market. Even goods which could be freely purchased in 1985 have vanished from the stores now.

[Ryzhkov] I would like first of all to mention the following paradox. Increased incomes are, it would seem, a good thing. The more a man has earned the better he should live. But what has happened in our case? In 1988-1989 we switched to new methods of management and all enterprises, organizations, and institutions were transferred to full financial autonomy. A rapid increase in the population's income began. This process has, of course, also been influenced by the cooperative movement and other factors. In two years the population's income increased 23 percent or by R105 billion, that is by as much as it grew throughout the preceding seven years. And all at once this money which was paid out descended on the consumer market and increased inflation. Of course, the market was devastated. And although many goods are being manufactured in a greater quantity than before, buying them on free sale is almost impossible. Some 14 percent more color television receivers, for example, were manufactured in the first quarter than in the first quarter last year. The same with washing machines.

Of course, there have been both miscalculations and losses. I believe that certain programs were initiated which were insufficiently backed by resources. We sometimes got ahead of ourselves in the solution of certain questions. Big damage was done by the anti-alcohol campaign—both moral and material. This could not fail to have been reflected in the country's economy.

Abalkin Supports 'Moderate' Reform Pace

WA1106190190 Moscow LITERATURNAYA GAZETA in Russian No 23, 6 Jun 90 p 9

[Interview with Academician Leonid Abalkin, USSR deputy prime minister, by LITERATURNAYA GAZETA commentator Pavel Volin; place and date not specified: "The Price Is Too High!"]

[Text] [Volin] Leonid Ivanovich, when completing our last conversation, we agreed to consider next fall the first results of the implementation of the government program to invigorate the economy which was adopted on the eve of the New Year.

However, only five months have passed since and a new government program is already being discussed, that of a sharp radicalization of economic reform which amounts to giving up the former program, if not in its entirety then at least as far as the deadlines set forth in it are concerned (meanwhile, time is becoming significant in principle in this case!). What is happening? How is this unexpected turn to be assessed—as a failure of the former program? Or, perhaps, has the situation changed unexpectedly?

Finally the third possible cause: Have more radical forces prevailed? After all we know that confrontations of various movements, including those diametrically opposed, over our reform never stop.

[Abalkin] At present, processes in our society develop so dynamically that I may state with confidence: Today, when we are having this conversation, and even more so tomorrow in June when the transcript of the conversation is published, our society will be completely different from what it was last winter. It would appear that this is not a whole lot of time, but look at all the events it has embraced—elections held throughout the country, the renewal of all power structures, most extensive discussions accompanied by the polarization of opinions and the appearance of new concepts on the very important issues of life! In many places, absolutely new forces have assumed leadership. This has been a period of a sharp drop in the authority and influence of the party in the country; confidence in it and the leadership of the state on the whole have declined. Finally, the system of power has changed and the presidential form of government has been introduced. All of this has been happening against the background of continuing deterioration of the situation in the consumer market. We have not succeeded in arresting the mounting negative processes through which the program of invigorating the economy, mentioned by you in the beginning, has been forcing its way, so to say. The destabilizing factors which I referred to in the previous conversation have continued to mount.

All of this has called for a critical interpretation. I believe that the government has displayed political realism by not persistently and obstinately defending the once selected timing and tactic of implementing a radical economic reform. It has come to the conclusion that, despite the ultimate goal having been selected properly, a changed situation demands that the deadlines be compressed and brought forward by approximately two years.

There is an extremely important aspect on which I would like to dwell in particular. If we managed to stabilize the situation first—reduce the budget deficit, saturate the market with consumer goods, and only then switch to a market system, which is what the government attempted to do—our transition to the market would be much easier for the people and would entail smaller costs. Unfortunately, this did not work out. Life has shown: Equilibrium in the national economy cannot be ensured by old methods with the help of the administrative-distribution system. At present it is clear that we will have to use our transition to the market itself as an instrument of stabilization rather than switch to the market after stabilizing the national economy. Yes, in this case the populace will have to suffer more. However, there is no other way out, and this is what the people need to be told straight out. The people may only trust a government which pursues an honest policy and speaks the truth no matter how bitter it is. However, our society should know something else too: If we do not begin an accelerated transition to the market now, the situation will become still worse and will continue to deteriorate inevitably with catastrophic consequences. The longer we postpone this transition the more difficult it will be, the greater sacrifices it will call for.

[Volin] Has this really become clear just recently? Listening to you, I am tempted to exclaim: "At last!" As I see it, our transition to the market is beneficial in all regards, and I am convinced that the sooner it happens the sooner we will start getting out of—I do not know what to call it—this hole or quagmire into which we have driven ourselves. This is what is troubling: the absence of guarantees, not just guarantees which, as Ostap Bender used to say, only an insurance policy provides but certainty. Are you sure that the measures of a transition to a market mechanism, which will finally place our economy on the footing of a modern commercial economy, will be brought to the point of implementation and that what has happened many times with the most tempting endeavors to which we attached great hopes will not happen again? Personally, I would not give such a guarantee.

[Abalkin] I have never liked the word "guarantee" and I try not to use it. There simply cannot be guarantees in the environment of dynamic social change and instability. However, here are two considerations which should favor success. First of all, it is the realism of the program proposed by the government. Obtaining social consent is the second, absolutely necessary condition for success. From the very beginning, while still preparing the government report, we said that all of these measures may only be undertaken after an all-people's discussion, by means of social consent. It still needs to be decided what form this is to occur in—through a referendum or some other form, but I do know one thing: this has got to be done with a maximum of honesty. We cannot use traditional and by now quite compromised methods of the so-called all-people's discussion in the course of which newspapers selectively publish the statements of readers and, whatever they publish, an element of mistrust and subjective evaluation remains. Only a direct and unambiguous show of the will of the people is

necessary: if it is a yes, it is a yes; if it is a no, it is a no. The opinion of our society should be expressed with absolute clarity.

[Volin] Are you sure that the people will consent to this?

[Abalkin] If they understand they will. At present, all those who are concerned about the future of the country and the fate of the people, all those who wish the people well, should try to convince the people that this step is necessary, convince them through frank positions and sincere evaluations without promising anything unrealizable and without concealing the difficulties which we will have to go through, but also by explaining that we will not attain an efficient economy and a high standard of living in the absence of a transition to the market.

These are two of the most necessary conditions for the successful implementation of what has been conceived. Now, a little bit about the first condition. As much as possible we tried to take everything into account in the program which we submitted to the Supreme Soviet: the proposals of science—we invited the most prominent scientists to take part in this work; views which were stated in the press and in our forums—the Congresses of People's Deputies and the Supreme Soviet; and proposals from alternative variants developed by various social movements. We built models of our forthcoming innovations, showed our models to leading scientists, and calculated all possible consequences, the pro and the contra. Never before had work that profound been done in our country. This was a complex process in the course of which a difficult and tormentingly grave issue arose. I want to use it as an example to show our method of work, way of thinking, and approach to the issue of consent.

We made calculations for two variants of a transition to the market. The first variant was the most radical: an almost instant shift to free-market prices, virtual elimination of state orders, giving a maximum of freedom to producers, and so on. The model showed a sharp decline in everything in the first two years—volume of production, employment, and standard of living—but three years later shoiwed a striking leap of all of these indicators upward to a level which we have not had in any of the last five-year plans. I will give only one aggregate number: an increase in national income by 38 to 41 percent!

[Volin] Really, this is science fiction!

[Abalkin] Yes, but this comes in five years. However, how are we to survive the two years to come? So we decided to check out a more moderate variant. Our analysis indicated that a decline would also occur. It is unavoidable in the course of a transition to market conditions, but in this case it would be in a gentler and slower manner. A decline in the standard of living of the populace throughout the country would occur, but not a very large one. We would try to protect a considerable segment of the populace with the help of social programs. In a word, a smoother decline but also a slower transition to invigoration. By the end of the five-year period the national income would increase by only 10 to 15 percent in the second variant. You will ask me: Which variant is better and preferable? There is no unambiguous answer. This is why we are saying: let the society have its say. The people should make a choice themselves.

[Volin] What does the government think, and you personally?

[Abalkin] We have opted for the second variant, but not at all without hesitation and doubts because the first one means do not shrink from sacrifice, at any price.

[Volin] Do you believe that being sick longer and getting back to health slower is better? Are you sure that the people would have enough strength and patience to wait?

[Abalkin] Are you sure that our society, having opted for the first variant, would endure two years and would not explode sooner, burying perestroyka?

[Volin] Indeed, but what about waiting two more years, and then being content with quite modest results? We have been waiting for so long, it is the sixth year since April 1985! The situation keeps getting worse. Perhaps we should endure the two years after all, but later....

[Abalkin] We should get "the go-ahead" from the people for any variant, have a mandate from the people, and act. There is no way to do that without realism, balance, and a feeling of responsibility in this matter. Frankly, I am not sure that the shortest path is always the best and that our excited, embittered, and tired society is prepared to take a step as resolute as the first variant. The risk of being set many years back is too high. Although, of course, this variant is much more effective and tempting in terms of ultimate results.

Finally, one more aspect which we cannot fail to take into account. We—in this case, I mean the entire leadership of the country rather than the government—shoulder the heavy load of unkept promises which hampers our every step. Everything is etched in the historic memory of the people: promises have been made to them so many times!.. Under such circumstances it is more difficult to act. Here is just one example for you, Pavel Genrikhovich. A price reform cannot be announced half a year ahead of time. Otherwise tremendous dislocations are unavoidable. How was it done in West European countries, in Hungary, in Poland? Announcements were made several days in advance, at best a month in advance, and the market managed not to disintegrate. However, a leadership enjoying a high degree of trust from the people may afford this. On the other hand, we cannot take a single step without announcing it in advance. Otherwise this accusation will be leveled at us: you are hiding something, the government is not playing fairly. This is why we say outright: we will compensate this specifically, here are the numbers and calculations so as not to be suspected of some unworthy plans and attempts to conceal something from the people. We also announce absolutely openly what we will not be able to

compensate for—I mean increased prices for jewelry, imported video equipment, gourmet foods, and other luxury items, more than 60 billion in total.

[Volin] Concerning the issue of compensation. It appears to me to be the most important. We cannot allow a further drop in the living standard of the people to occur, or we should at the very least reduce this to a minimum. Additional funds are necessary. Various sources are being mentioned. I would venture to suggest one more source for you. Why should we not turn to the West for help, also straightforwardly and openly, in order to try to make up for our shortages and cushion the impact of, say, that first variant of our transition to the market? After all, it is clear that they in the West are extremely interested in the success of our perestroyka. Over there they understand better than anywhere else that we will not get out of the dead end without switching to a market economy. It is much more preferable for them if we restore our economic potential and acquire the capability of trading with them than if we remain poor and continue looking at them with envy.

[Abalkin] Indeed, voices are heard quite powerfully in the West which are interested in our perestroyka. However, do not forget that the West is not a homogeneous but rather a collective notion. Most varied strata and attitudes are represented in the West. The price of concessions which they could demand from us is quite high.

[Volin] Certainly conditions would be attached to this for us; nobody is going to give money for nothing. However, if we turn to the experience of recent history, I believe that the conditions set for us would only facilitate the creation of a healthy economy in our country. Please recall that the United States, while giving aid to Europe under the Marshall Plan, demanded in a very strict, one might say uncompromising manner, that agreements on the use of such aid be complied with—and so what? European countries restored their economies quite rapidly, improved the standard of living of their peoples, and now continue to move forward.

Could it be that you mean political demands to be made on us? Which ones? To adopt a multi-party system? In essence, it already exists. To give up our political system? However, I believe that it is understood in the West that political changes in our country occur primarily under the influence of internal factors rather than external forces.

[Abalkin] Frankly, I would not like to get involved in a discussion of this nature. Let me only say that the existence of two systems is a reality rather than an ideological myth. Besides, even if this issue were submitted to a referendum, I strongly doubt that the reaction would be positive. I am aware of the anti-market attitudes which are quite widespread in our country. If all of this talk about "the sell-out of the Motherland" were superimposed over them, the people would hardly accept this variant.

[Volin] The people want to live well, live a normal life.

[Abalkin] It is fashionable at present to speak in the name of the people, though they have not been actually consulted yet. I doubt that concerns about our daily bread would obscure in the consciousness of the people socio-political and moral values, and ultimately the feeling of pride. We should count primarily on ourselves. Nobody will save us until we create truly powerful incentives for enterprise, economic risk, and innovation; until we develop economic structures which respond quickly to scientific-technical progress and changes in social needs; until we stir up this gigantic economic complex, making it meet the needs of the consumer all the time.

[Volin] However, as soon as talented businessmen appear in our country, the milieu attempts to reject and destroy them. Look at, say, Tarasov. He gathered what was thrown away, rotted, and was unneeded; sent it abroad; and purchased with this money computers—for us as well! He inflicted horrible losses on our country-....And what about the ANT [Automation, Science, Technology] affair? Actually, ANT swapped weapons for consumer goods which the people need so badly, **beat swords into plowshares!** So, what was done to ANT? Meanwhile, you are saying: incentives, risk, innovation. Who will be up to being industrious?

[Abalkin] I agree with you, it does not exactly facilitate the display of initiative. This is what needs to be changed. Besides, I think that the situation is not that hopeless because perestroyka has brought out mighty creative forces and their significance is increasing. We clearly distinguish between social movements and the mass media, some of which advocate a traditional, anti-perestroyka position which is largely that of leveling, and to an even greater degree that of dependency—the state, supposedly, has to provide for us; it should provide for us rather than we should ourselves—and quite different forces and movements expressing new approaches and new thinking. We find out every now and then about people who are clearly exhibiting business leanings, bold and resolute people who know what marketing is about. Outstanding personalities appear in the cooperative movement and in the reborn commercial banks. It turns out that, despite everything, there is no dearth of such people in our country! To be sure, swindlers can be encountered there too.

[Volin] Don't we encounter them everywhere?

[Abalkin] Correct. However, we should approach this in a balanced manner, skillfully separating the wheat from the chaff.

[Volin] The main point is for the individual to know: if he makes money honestly, without violating the law, no amount of income should call into doubt his personality from an ethical, criminal, or any other point of view. Quite the contrary, he should have an opportunity to succeed in the most spectacular manner as in any developed country.

[Abalkin] Of course, it is very difficult to bring up a stratum of people who are talented and know the market well. To this end we need to reject the stereotypes of thinking we have inherited from the past and revise to a considerable degree our ethical tenets and the value system in general. You know, I regularly look at the materials of sociological surveys, and this is what is interesting. An overwhelming majority of the citizens, 80 percent, are against leveling and in favor of distribution according to labor. But according to which labor?

Let us analyze this: what is the usual basis for the rejection of entrepreneurial income? The reasoning is simple: I work eight hours and he works eight hours; well, even if 12 hours then fine, let him make 1.5 times as much, even 2.5 times more, but by no means 10 or 100 times more! In this instance, a stumbling block is found in the purely theoretical sense. When we say "according to labor" we customarily mean: according to the input of labor. Meanwhile, there is assessment on the basis of results—not those expressed in "the number of pieces" but in the socio-economic, market sense—and it is by far more important. For example, a person is involved in brokerage. He gathers vegetables which would simply rot in Central Asia, hauls them, and sells them in the north. He receives a commission, even if small, of 0.5 percent. However, it is one thing if he manages to sell 1,000 tons and quite another if it is 10,000 tons, would you agree? What if we are talking about 100,000 tons?! His earnings are proportionate to the final result, not in terms of prices—the price will remain the same, let it be set by the state—but the socio-economic result. He has met social needs and fed one hundred times as many people. His earnings have also increased by a factor of 100. Is this unfair? This is a result of entrepreneurial labor, and the market evaluates it. It is not important how much time he has spent in the process. The degree of meeting societal needs is important, and this is the case throughout the world.

[Volin] Everywhere but here. The word "broker" has itself acquired some pejorative, shameful meaning.

Well, Leonid Ivanovich, thank you for the conversation.

[Abalkin] Taking into account the seriousness of the situation and realizing the responsibility entailed by our transition to the market system, I would like to repeat once again in summation: we cannot discredit and compromise this transition in the eyes of the people. The price is too high.

Advantages of Free Labor Market Cited

904F0172B Moscow TRUD in Russian 31 May 90 p 2

[Article by I. Zaslavskiy, candidate of economic sciences: "Who Is To Be Considered Unemployed"]

[Text] Moscow—**The switch to a market economy, which was announced by the government, will bring with it fundamental (and surely painful) changes in the system of our economic management. One of the most undoubtedly acute problems will be the problem of employment of the population. How is it to be resolved? Several points of view exist on this question. We present one of these for your consideration.**

I had occasion to take part in a radio commercial. On the air, employees of the Moscow City Job Placement Bureau offered their services to everyone, and we, specialists on labor legislation, were to comment on our achievements in the area of the right of citizens to work. But...we were unable to help the first construction engineer who turned to the bureau. He did not have a Moscow residence registration, although he was married to a Moscow woman. And, according to our laws, he did not have a right to work in the city, where his family lives.

Our entire former policy of "labor service" is mirrored in this seemingly private episode. To a certain degree, all of us are "hostages" of the administrative command-system, which created in its own way a unique system (from the standpoint of world practice) of administrative measures that were designed in one way or another to compel a person to work (regardless of his desires).

The system of passports and registrations introduced in the 1930s tightly "chained" city workers to their place of residence, and it turned peasants without passports generally into persons without rights. With certain modifications, the inhumane system of directed regulation of the disposition of labor resources is in effect to this day. As a result, more than a million Soviet "homeless bums" (State Statistical Committee data) "who offended" the state only because they do not have housing, are transformed into second class citizens. In fact, for them the path to a state enterprise is barred.

There is one more "incentive" for those who are unsettled—the requirement of a long work period for calculating a full pension in accordance with the new law. A "direct" ban was introduced for those who are especially restless: No more than two transfers a year "on one's own volition," otherwise the length of service is interrupted. And the compulsory working off "according to the schedule" after training? And the recruitment of detachments of "volunteers" for job referral by the Komsomol [All-Union Leninist Communist Youth League]?

The very foundation of the labor market is the recognition of the right of each individual independently to make use of his own natural abilities and talent, and at his own discretion to choose a legal way of feeding himself and his family. Do not be lazy, open your own business, join an association, a cooperative, or work on contract wherever you wish and for whomever you wish. Do you want to dedicate yourself to family duties, looking after children, invalids, and old people? Well, even these occupations are useful to society, and the state can in different cases somehow reimburse domestic work.

Well, it appears, the author is calling for the procreation of spongers? But, first, the means on which a person lives must be absolutely legal—for example, he received an inheritance or worked in the North so much that he can take a long time before setting himself up in a job. And, second, strange as it may seem, it is economically advantageous to society, and it is cheaper to support "spongers" than to force everyone to perform labor service in succession. The need for a huge administrative compliance apparatus is eliminated, but the main thing is that only willing work can be effective and productive. We have all learned well from history that capitalism defeated the feudal system owing to a more rational organization of production that is based on liberated and emancipated labor. And we are in no way conjecturing that the market economy—we will be objective—won the competition with the administrative system of economic management for the very same reasons.

True, I do not even see anything seditious in the fact that an individual, who for some reason does not want to be an independent craftsman or member of a cooperative, prefers to work for wage and sell his labor on the market (it is not important to whom—to the state or a private trader). We were taught that this is exploitation. But let us remove the ideological blinds and look at the problem realistically. Exploitation is when an unjustifiably large part of production is taken from the producer (in itself such a removal is necessary for expanding reproduction and the development of the economy). But how is this boundary measured and discovered? The market is just such a natural, objective, and impartial standard.

As far back as the beginning of the century, when debates were going on in England that were no less acute than those in our country now about how high or low the prices for bread should be, Karl Marx wrote that this is an argument of the landlords with the industrial bourgeoisie, and that it does not concern the workers. For in a market economy, the worker in any case will receive adequate compensation for his labor.

We learned well in political economy that job competition existed on the market and that this promotes real growth in labor productivity. But somehow we do not want to admit that in the same way a multistructured economy presupposes competition of the enterprises for the worker. We have already felt what this is from our own experience, when our best specialists leave state enterprises for our production cooperatives. But competition is not attained, and instead of this incompetent managers and passive directors angrily demand that the authorities stifle and put competitors in their place—and they often achieve this. The result, incidentally, has an effect on our pocket. If you take the work compensation standards adopted on the world civilized market, then, according to the estimates of the famous economist N. Shmelev, Soviet workers even at today's productivity should receive on the average R600 to 700 as members of cooperatives. We do not receive enough earnings precisely because we are forced to sell our labor not at market value, but according to administrative rates imposed from above.

In the process, those who suffer the most from wage rate arbitrariness and wage leveling are the more talented, otivated, conscientious, and skilled—experts in their ield, workers with a capital letter. A lathe operator devises an addition for a machine that makes it possible to speed up the machining of a part, and then and there they lower his rates. An engineer invented a miracle machine, and it takes him a year running around departments, trying to see to it that they at least give recognition to his brainchild and issue a patent. Initiative is being punished. It is more advantageous for management to keep dozens of mediocrities, who frequently can be dispatched on multiple purchase orders for potatoes, to load freight cars, to clean streets, than to keep one Edison.... And the skilled worker ends up without rights against this kind of humiliating administrative arbitrariness.

It is all different on the market. Ethics of contractual labor relations exist here that we are not accustomed to, where each party—the worker and the employer—has duties and rights that are clearly differentiated. Under conditions of the administrative system, a labor contract that is strictly regulated from above (especially a collective one) is transformed into a kind of formality. But on the labor market, it is a subject of dispute. For example, under the so often mentioned NEP [New Economic Policy], it was "markets" with employers, including state employers, that took up two-thirds of trade union work.

A false impression exists in our country that work for a wage (on contract) under market conditions places the worker in a position that is dependent on the employer. In fact, as we have already said, it is just the opposite: The parties that sign a contract have equal rights, because they are equally interested in each other. And within the framework of the contract, the worker feels he is independent and free. The employer cannot order them about. Let us say, they were idle on a shift (something did not go right)—let the woeful owner carry the losses, but the worker according to the contract cannot be forced in any way to "rush into the breach" without remuneration, to remain after the shift, and to deprive himself of days off. In general, there can be no question of work not stipulated in the contract. The exploitation of popular enthusiasm, which our administrative system engaged in continuously, does not "go" in a market economy.

It is true that right now the favorite magical "must" is losing force disastrously. "If you pretend that you are paying us, then we will pretend that we are working" is a saying that is circulating among the people. As a result, labor productivity in our country is twice, and in certain branches, three and five times lower than in the developed "market" countries. Depriving an individual of interest in work, the administrative-command system dooms the economy to stagnation, and it thereby signals

historical condemnation for itself. And what about unemployment—the scourge of the market economy, asks the reader. Unfortunately, unemployment has really existed for a long time in our economy as well. Six to seven million able-bodied citizens can already be categorized in the ranks of the unemployed. And the payment of unearned money (which is practiced in our country on a large scale) is, in fact, their support at work at the expense of the enterprises.

But for the economy as a whole, a reserve of labor resources is simply necessary, otherwise (as our own experience confirms) quick structural changes and the opening of new production without stress on old production are impossible. It is enough to mention what losses the regular "organizational recruitment" for the "building project of the century" turned into for us. An economy without reserves is sluggish. What should this reserve be? In 1926, M. Tomskiy, the AUCCTU [All-Union Central Council of Trade Unions] airman, thought that eight percent unemployment among qualified workers was normal. The experience of modern Sweden indicates that this indicator could be reduced to two without pain to the economy. In any event, "in no way is it possible to fight against unemployment through the provision of a job for a worker at a plant where there is no work for him. In this connection, it is much more advantageous for production and the entire economy to pay the unemployed from special funds for social insurance unemployment allowances"—it is with this natural straightforwardness that F.Z. Dzerzhinskiy, chairman of the VSNKh [All-Russian Soviet of the National Economy], expressed himself during the NEP.

Referring to documents of those times and talking to eye witnesses of events, I became convinced that we, boasting of imaginary achievements of socialism (like "full employment"), repudiated our own genuine find—the new politico-social model that insures social progress found by V.I. Lenin. Under NEP in our country, the world's first system of state social insurance appeared (including unemployment insurance), providing reliable protection for the citizens. A job placement system was developed, and special societies were established that taught people professions. More could be bought on unemployment allowances than on any current salary. And the earnings of Soviet workers then were higher than, for example, among their German colleagues. Store shelves were filled quickly. By 1928 none of the workers lived in basements (in the first five-year plan they were again occupied—and are occupied right up to the present time)....

Indeed, there was an economic "miracle" in Soviet history that astonished the world. It became possible because of the combination of a healthy market economy with the political power of the people and the strong social policy of the state. Incidentally, our experience has not perished—Western socialists and social democrats equipped themselves with it in many ways.

Economic realities and the crash which our administrative-command system brought us to has forced us to reconsider our reference points. The establishment of a socialist market is acknowledged to be necessary. But in contrast to the NEP, which was introduced by V.I. Lenin right from the start with revolutionary resoluteness, the current economic reform is slipping.

As a worker for a wage and a member of a trade union, I would prefer the trade union to actively strive for the kind of economic system that would guarantee just compensation for labor, talent, and initiative, guarantee a high standard of living, and provide insurance in the event of misfortune—including with work as well. And as a specialist on labor relations, I am confident—and I have tried to convince the readers of this—that only the market can do all of this. There is no other way.

Supreme Soviet Enacts Tax Inspectorate Law

904A0401B Moscow IZVESTIYA in Russian 3 Jun 90 Morning Edition p 2

[Resolution of the USSR Supreme Soviet "On Procedures For Enacting the USSR Law 'On the Rights, Duties, and Responsibilities of the State Tax Inspectorates'"]

[Text] The USSR Supreme Soviet **resolves**:

1. To enact the USSR Law "On the Rights, Duties, and Responsibilities of the State Tax Inspectorates" from the moment of its adoption.

2. The USSR Council of Ministers:

will submit proposals on bringing the legislative acts of the USSR into compliance with the USSR Law "On the Rights, Duties, and Responsibilities of the State Tax Inspectorates" for consideration by the USSR Supreme Soviet by 1 July 1990;

by 1 July 1990, will bring decisions of the USSR Government into compliance with the USSR Law "On the Rights, Duties, and Responsibilities of the State Tax Inspectorates," as well as submit proposals on reinforcing the legal protection of the officials of state tax inspectorates;

will review measures aimed at creating information systems which ensure the efficiency of operation of the state tax inspectorates.

3. Until the legislation is brought into compliance with the USSR Law "On the Rights, Duties, and Responsibilities of the State Tax Inspectorates," the legislation on the rights of finance organs in effect is applied insofar as it does not contradict the law referred to.

[Signed] A. Lukyanov, chairman of the USSR Supreme Soviet
Moscow, the Kremlin, 21 May 1990

Decline in Industrial Output Continues

PM1206094790 Moscow IZVESTIYA in Russian 10 Jun 90 Morning Edition p 1

[V. Romanyuk commentary under the rubric "Statistics and Our Commentary": "How the Country Worked in May"]

[Text] According to the latest figures received at the USSR State Committee for Statistics, May brought no change to the situation which existed in industry at the start of 1990. The volume of commodity output was 0.6 percent lower than for May last year. It was the same for the first five months. Admittedly, this time we had one more workday than in January-May 1989. But if you take the average daily indicators, the fall in production is 1.1 percent compared with last year's level.

It cannot be denied that the wait for a breakthrough in the generally unfavorable economic situation has gone on a long time. When preparing the materials for the latest roundup we agreed with V. Tolkushin, deputy chairman of the USSR State Committee for Statistics, that we would assess the situation in associated sectors, "interlinked," as it were, so as to show the domino effect in our national economy, which is dominated by gigantic monopolies—how one problem creates a series of others.

The results for the first five months show that on the whole contractual commitments were fulfilled by 98.8 percent. Output worth R4 billion was not shipped to consumers on time (the May backlog was R900 million). The highest proportion of that was in the chemical and timber complex (97.9 percent) and in light industry (98.2 percent).

Oil production fell by five percent (compared with the corresponding figure for last year). A number of energy-intensive industries were on starvation rations. Hence the reduction in the production of synthetic ammonia, sulfuric acid, caustic soda, and other components essential to the production of pulp, mineral fertilizers, and plastics. Less plastic means fewer refrigerators and washing machines, less chemical fiber and yarn means a shortage of materials for fabrics and footwear, and the effects of the paper shortage are obvious to all.

The fall in oil production is partly due to the fact that exhausted oilfields are ceasing operation but the commissioning of new ones is behind schedule. But the fact that the "Azneftemash" science and production association is disrupting the supply of equipment for oilfields, drilling, and geological prospecting work also took its toll. The tense situation in Azerbaijan has affected the work of that association, which, in a certain sense, wields a monopoly: Between January and May 16 percent less equipment was produced than in the same period last year.

A different collection of factors are slowing work in the mining industry, where coal extraction fell by six percent. The problem there is with the shipment of coal. The high-ash coals mined in the Ekibastuz basin were intended for power stations in the Kansk-Achinsk complex. The commissioning of the stations is behind schedule but no other customers were found.

Machine builders have made a definite step forward: Compared with the corresponding period last year production of program-controlled forging and pressing machines was up by 18 percent, production of excavators was up by 11 percent, and production of medical equipment was up by 17 percent. At the same time production of a number of important items is falling: The production of electric motors for domestic appliances fell three percent, oil industry equipment production fell three percent, and the production of oil and gas pumping units fell by four percent.

In past roundups we criticized railroad workers. Now, however, let us turn our attention toward retooling in that sector. To be blunt, it is poor. In January-May 114 fewer mainline diesel locomotives, 11 fewer electric locomotives, 480 fewer mainline freight cars, and 31 fewer passenger cars were produced than in the same period last year.

We are all worried by the situation in the goods market: Can we expect a change soon? The statistics are not encouraging. In May 1990 fabric production was 10 million meters less than in 1989. There was a minimal increase of two percent in the production of knitwear, of five percent in the production of hosiery, and of two percent in the production of footwear, and in May the indicators were even worse than for the five months as a whole.

On the other hand there has been a growth in the production of cultural and everyday goods. The conversion of defense enterprises has resulted in an extra 20 to 22 percent in the production of equipment for the processing sectors of the agro-industrial complex, domestic appliances, radioelectronic equipment, and so forth. In May the production of tape recorders rose 12 percent and the production of compact cassettes for them rose by 18 percent. For each new tape recorder produced there are 11 to 12 compact cassettes produced—50 percent higher than at the same time last year. In the first five months (compared with last year) the production of radio-tape recorders and radiophonographs rose by 27 percent, production of color television sets increased by 13 percent, production of electric irons rose by seven percent, and production of vacuum cleaners, electric kettles, and radio receivers rose by 10 percent. The growth rate in the production of cars, motorcycles, and bicycles remains modest—five percent.

Customers ask quite reasonably: If more goods are being produced, why do the stores remain empty? Primarily because the population's money income is growing much faster than the supply of goods. In the first five months the production of goods increased by 7.4 percent over last year's level but the increase in the amount of money in the population's hands was approximately double that

figure. That was the general situation at the beginning of the year, when the program of emergency measures was formulated. That program envisaged that the production of goods would increase to the tune of R60 billion this year. We have achieved some growth, but at the moment it is only one-half of the planned figure. And therefore the goods market remains out of balance with the population's income.

It is hard to say yet that the situation with regard to the production of basic necessities has improved. Admittedly, the detergent delirium is diminishing: Production of synthetic detergents is 10 percent higher than in January-May 1989, production of toilet soap is up eight percent, and production of household soap has risen by nine percent. Supplies of stainless steel blades for safety razors continue to be disrupted: In the last roundup we noted a shortage of them but in May production fell by 16 percent against May last year. The production of toothpaste and a number of other everyday items is falling.

Even without the statistics, the deplorable state of the food stores is obvious to everyone. And those stores which do have goods to sell are asking astronomical prices. Overall, meat production fell three percent in the first five months compared with the same period last year, vegetable oil production fell two percent, and canned fruit and vegetable production fell five percent. On the other hand, output of sausage products increased by 0.8 percent, production of wholemilk products increased two percent, as did margarine production, and there were increases of five percent in butter production and six percent in granulated sugar output.

Given the generally unfavorable situation it is particularly vexing to note that there were losses resulting from interethnic conflicts and disagreement between the center and the territories. In May Azerbaijan achieved a production increase of 0.6 percent while Armenia even achieved a growth of four percent, but the overall decline in output since the beginning of the year remains significant—15 percent and seven percent in those republics respectively—and in Georgia production fell by 7.5 percent. The restriction of fuel supplies to Lithuania did not seriously affect final results a month ago but in May there was a decline—11.4 percent (compared with May 1989). Production in Latvia and Estonia is below last year's level.

But this is part of the general stagnation of the national economic complex. So it is all the important to accelerate the switch to the regulated market economy planned by the government but not yet adopted by parliament. No matter how great the cost, it cannot compare with the cost of standing still or moving backward—this cannot be tolerated any longer.

Austrian Trade Attache on Consumer Imports

WA1206184290 Moscow ARGUMENTY I FAKTY in Russian No 22, 2-8 Jun 90 p 6

[Report on interview with the trade attache of the Austrian Embassy in the USSR, Peter Sedlmeier, by Yu. Sigov; place and date not specified: "How Much Do Austrian Boots Cost?"]

[Text] Recently the Soviet Union has substantially increased the purchases of consumer goods for its domestic market abroad, including Austria. However foodstuffs, cosmetics, and footwear from this country virtually do not make it to the shelves of our stores. The trade attache of the Embassy of Austria in the USSR, Peter Sedlmeier, discusses why this is so.

[Sedlmeier] In 1989 Austria delivered to the Soviet Union goods worth 11.5 billion schillings (575 million rubles). They were mainly rolled steel goods, machinery and equipment, and chemicals. Consumer goods—medicines, clothing, textile fabrics, detergents, cosmetics, and footwear—also account for a considerable share of our exports. Your country spends almost 1 billion schillings in Austria for purchasing foodstuffs and farm products.

[Sigov] Which specific foodstuffs does the Soviet Union purchase in your country? After all, they do not appear on the shelves of our stores at all.

[Sedlmeier] First of all, there are dairy products and cheese (235 million schillings in 1989), coffee (Austria imports it from the countries of Latin America, processes it, and sells it to the USSR), wine and other alcoholic beverages (4 million schillings), and meat products. The USSR also buys a great deal of farm products in our country—wheat (in 1989 Austria exported 600 million schillings' worth of it to your country), corn, and barley (44 million schillings' worth of each crop). We also sell livestock.

[Sigov] While increasing the purchases of goods abroad, the Soviet Union is becoming one of the major financial debtors of a number of Western countries, including Austria. How does the USSR cover the existing deficit?

[Sedlmeier] The Soviet Union's debt to capitalist countries, including Austria, began to grow after 1985 (dropping oil prices) and 1986 (the practical beginning of the implementation of economic transformations in your country). At present oil, natural gas, and other raw materials account for almost 90 percent of Soviet exports to Austria. Chemical products account for a mere 3.4 percent, and machine tools and equipment for 1.9 percent. Austria purchases some types of food products in the USSR (tomato paste, concentrated apple juice, and so on).

I believe that the USSR should make its exports more varied in order to reduce the debt as well as to make

better use of the opportunity to manufacture products which are competitive in the world market at joint enterprises.

[Sigov] There is tremendous demand for Austrian footwear among Soviet buyers. Is it planned to increase its delivery to the USSR?

[Sedlmeier] The USSR is one of the largest purchasers of our footwear in East Europe. In 1989 we delivered 500,000 pairs of boots for men, women, and children to the USSR alone. They were mainly products of the Krause and Hoegel footwear companies, as well as a number of others. According to Austrian statistics, the volume of exports of footwear from Austria to the USSR fell sharply in 1989.

[Sigov] However, according to MVES [Ministry of Foreign Economic Relations] data, a record amount of precisely footwear was purchased from Austria last year. Where has all of it gone?

[Sedlmeier] The point is that we count as our exports only the footwear manufactured by Austrian companies. Meanwhile, the Soviet Union counts toward the overall volume the purchases of shoes made in Italy or Spain but procured through Austrian companies. This is exactly why 2 to 3 million pairs of footwear were delivered from Austria to the USSR in 1989, according to MVES data.

As far as its distribution in the Soviet Union is concerned, the Austrian side does not have anything to do with this. The only thing I can say with certainty is that our footwear continuously arrives on the territory of the USSR. What happens to it next is up to your domestic trade.

[Sigov] The state price for ladies' boots made in Austria comes to 200 rubles in our country. Speculators sell them for twice as much. How much do the same boots cost in Austria?

[Sedlmeier] We have a quite large selection of footwear, including boots, in our stores. As a rule, Austrian women prefer to buy footwear made of natural components. So a pair of fashionable ladies' leather boots costs at a minimum 1,000 schillings (50 foreign-currency rubles) in Austria. In turn, footwear made of synthetic materials is not very popular with Austrian women. A pair of such boots costs about 700 to 1,200 schillings (35 to 60 foreign- currency rubles).

Is that expensive or cheap? Judge for yourselves: the guaranteed minimum wage for a worker in our country, officially established by the Austrian Government in May of this year, amounts to 10,000 schillings (500 foreign-currency rubles) a month.

April Vegetable, Fruit Prices Reported

904D0139A Moscow SELSKAYA ZHIZN in Russian 18 May 90 p 3

[Article by L. Vashchukov: "The Market: What and For How Much?"]

[Text] I can imagine the displeasure of many readers when they read this: In April, the difficult situation with the supply of vegetables and fruits not only failed to improve but even deteriorated. Indeed, by the beginning of May 23,300 tons of early vegetables had been purchased, or 10 percent less than during the same period last year. There were 17 percent less tomatoes, seven percent less cucumbers, 24 percent less cabbage, and 15 percent less truck crops.

Meanwhile, the market was abundant during this time as well, and the deliveries of vegetables on the whole even increased somewhat in four months, for example, by five percent in April. Sixteen percent more cucumbers and fresh tomatoes than last year were sold in the market, as well as nine percent more spring onions, 35 percent more lettuce, and 10 percent more parsley. Of course, sellers in the market responded with dispatch to the weaknesses of state trade, and jacked up prices. In April, vegetables were on the average 21 percent more expensive than last year; fresh cucumbers were 29 percent more expensive, fresh tomatoes—25 percent, pickles—56 percent more expensive (they are virtually unavailable in state trade outlets), pickled tomatoes—29 percent, onions—25 percent, and spring onions—19 percent. Radishes were selling at prices 31 percent higher than in April of last year, parsley—27 percent, lettuce—39 percent, and dill—25 percent. Only garlic became 14 percent cheaper.

Fresh cucumbers cost R6.15 per kilogram, fresh tomatoes—R10.29, pickles—about R4, and pickled tomatoes—R2.78. The average price of parsley was R6, dill—R5.30, and lettuce—R4.56.

The average price of fresh cabbage in the country as a whole was R1.33 per kilogram. The most expensive cabbage was sold in the markets of Nizhniy Tagil, Troitsk, Novosibirsk, Leninakan, Ashkhabad, Batumi, Irkutsk, Khabarovsk, and other cities at R2.50 to R3 per kilogram. Cheap cabbage, at 30 to 50 kopecks per kilogram, was sold in Kuznetsk, Krivoy Rog, Gadyach, Staryy Oskol, Stakhanov, Starobelsk, and Poltava.

The average price of cabbage in the markets of Moscow and Leningrad was R1.75 and R1.53 respectively.

Prices of onions increased by 25 percent on the average; in the process, increases in the markets of the cities of West Siberia, Belorussia, East Siberia, North Caucasus, Estonia, Georgia, the Urals, Uzbekistan, and Kirghizia came to between 27 and 45 percent, in the Central-Chernozem Region and Latvia; an increase by a factor of 1.9 occurred, and in Moldavia—by a factor of three. However, prices dropped by 26 percent in the markets of the Far East.

The average price of onions in the country as a whole amounted to 97 kopecks per kilogram. Prices of onions were R2 per kilogram and higher in the markets of 72 cities (out of 274).

A kilogram of onions cost between 40 and 55 kopecks in Kokand, Margilan, Dzhalal-Abad, Kuznetsk, Voznesensk, Bolgrad, Chirchik, Chimkent, Taldy-Kurgan, Dzhambul. In the markets of Moscow, it cost R1.86, and in Leningrad R1.56.

A more favorable situation emerged with regard to potatoes: This year, potato prices were lower than last year. On the average in the country as a whole (I am looking at April), a kilogram of potatoes cost 71 kopecks, compared to 87 kopecks last year at this time.

Potatoes were the cheapest, between 20 and 30 kopecks per kilogram, in Baranovichi, Pinsk, Vinnitsa, Sterlitamak, Sovetsk, Mogilev-Podolskiy, Vladimir-Volynskiy, Kovel, Gadyach, and Brest. In Moscow, the average price of potatoes was 85 kopecks per kilogram, and in Leningrad—76 kopecks.

Potatoes were expensive, between R1 and R1.50 in the markets of the cities of Vladimir, Tula, Novomoskovsk, Tambov, Michurinsk, Kuybyshev, Syzran, and others; in the markets of Kirovabad, it was R2 per kilogram, and in the markets of Irkutsk—R2.50.

The situation was the same with fruits: The market prices of fruit increased—by a factor of more than 1.5 for citrus fruits; from R3.30 to R4.11 for apples, from R5.30 to R6.50 for pears. Grapes became 28 percent more expensive, and dried fruit 16 percent more expensive.

May Kolkhoz Food Market Prices Reported

WA1206184490 Moscow SELSKAYA ZHIZN in Russian 1 Jun 90 p 3

[Article by L. Vashchukov: "The Market: What and for How Much?"]

[Text] Naturally the buyers' raid on grocery stores could not leave prices in the kolkhoz [collective farm] market unaffected. However, the statisticians have not yet managed to survey this price jump. This is why we will now discuss prices of meat and dairy products without taking into account such sudden panic buying. At present meat and dairy products are the most acute problem. This year the production of meat dropped; the growth rate of the sale of dairy products to the state was low. Due to this only 0.4 percent more meat products and 0.5 percent more dairy products from state stocks reached the stores than during the same period of last year, and deliveries of butter dropped by 0.8 percent. With these numbers in mind it is easy to explain why, for example, prices of meat products in the kolkhoz market increased by 18 percent and of dairy products by 13 percent in April of this year compared to April of last year. Eggs also became more expensive despite egg prices dropping last year.

This time beef prices increased by 23 percent, which on average cost 6.55 rubles [R] throughout the country. A decline of beef prices by eight percent was registered only in Turkmenia. Prices in other regions increased. The greatest increase, by 25 to 44 percent, was registered in the markets of cities in the Volga-Vyatka Region, North Caucasus, Latvia, the Volga area, West Siberia, the Central Region, the Urals, the Northwestern Region, and Moldavia.

In the markets of Moscow the average price of beef was R11.71 per kilogram, in Leningrad R10. Beef was for sale in the markets of Maloyaroslavets, Sverdlovsk, Vladivostok, and Perm at R9 to R10.

Pork prices were surveyed in the kolkhoz markets of 279 cities. Compared to last year they increased in 173 cities, dropped in five cities, and remained unchanged in 90 cities. In the country as a whole the price of pork increased by 22 percent. The cost of pork shot up to R5.93 per kilogram. The highest prices, between R6.50 and R8.75, were registered in the markets of Bryansk, Arkhangelsk, Syzran, Gomel, Kalinin, Perm, Sverdlovsk, Kaliningrad, Ivano- Frankovsk, Batumi, Minsk, Kiev, Tbilisi, Sochi, Vladivostok, Yerevan, Kishinev, Odessa, Vilnius, and Riga; in Lvov it was R9 per kilogram.

Pork was sold in the markets of Shadrinsk, Kustanay, Taldy-Kurgan, Buturlinovka, Kursk, Elista, Maykop, Barabinsk, Kokchetav, Petropavlovsk, Tselinograd, Aktyubinsk, Astrakhan, Minusinsk, Soroka, and Ashkhabad at R3-3.50.

In the markets of Moscow the average price of pork was R10.91 per kilogram, and in Leningrad R10.33.

Despite the sales of mutton in the markets increasing by 21 percent, mutton prices are still growing. Poultry prices increased by 14 percent in one year.

Milk prices also increased by seven percent in one year. In the process, they grew by eight to 17 percent in the markets of cities in the Ukraine, Uzbekistan, Latvia, West Siberia, the Urals, and the Central Region; in Georgia they increased by a factor of 1.6; and in the markets of the Central Chernozem and Northwest Regions and Kazakhstan they dropped by 2 to 10 percent. For a comparable set of cities in which price surveys were taken both in the spring of last year and this spring, they shot up in 42 cities and dropped in only five. The average price of milk in the country as a whole became 85 kopecks per liter. However, in 61 cities milk was sold at R1 a liter or higher. In the markets of Moscow milk was sold at R1.50 per liter; in Leningrad there was still no milk for sale.

The average price of sour cream in the markets was R5.54 per kilogram, and of butter R8.56 per kilogram.

Let us qualify this once again by saying that the food boom made all prices in the kolkhoz market soar literally within a day or two. For example, in Moscow even a

25-ruble note did not go anywhere in the market anymore. Let us await the future development of events.

Disbandment of Military Construction Units Urged

PM1206134190 Moscow PRAVDA in Russian 12 Jun 90 Second Edition p 4

[TASS report: "A Taste of Soldiers' Bread"]

[Text] A session of the USSR Supreme Soviet Committee for Defense and State Security Questions was held in Moscow 11 June to examine the questions "On Measures to Strengthen Military Discipline and Organization and to Enhance the Authority and Prestige of Military Service" and "On the Disbanding of Military Construction Units Utilized in the National Economy."

In its resolution on the first issue, the Committee for Defense and State Security Questions drew the USSR Defense Ministry's attention to the need to take more effective measures to strengthen military discipline and law and order and to avert crashes and accidents involving hardware and armaments, and instructed the USSR Defense Ministry to elaborate an integrated program for enhancing the social protection afforded to servicemen, the safeguards for their lives and health, and their housing provision.

A heated debate flared up during the discussion on the second issue. It was stressed during the discussion that 501 military construction formations totaling 329,000 men are currently working to build national economic projects for 20 ministries and departments. These formations are used inefficiently. An extremely unfavorable atmosphere conducive to crime has emerged in these formations.

The committee resolved to submit for examination by the USSR Supreme Soviet a proposal to suspend as of fall 1990 the drafting of servicemen to military construction units working in the national economy, with the exception of the military construction detachments under the jurisdiction of the USSR Ministry of Nuclear Power Generation and the Nuclear Industry, the USSR Ministry of Communications, the USSR Ministry of Installation and Special Construction Work's Main Administration for the Production of Special Construction Work, and the RSFSR [Russian Soviet Federated Socialist Republic] Ministry of Construction in the Eastern Regions of the USSR. These ministries and departments have been instructed to disband their military construction units as of 1 January 1992.

The members of the Committee for Defense and State Security Questions deemed it necessary to propose that the USSR president disband military construction units utilized in the national economy.

Debate on Arms Sales Demands Openness

PM1306083590 Moscow KOMSOMOLSKAYA PRAVDA in Russian 12 Jun 90 p 3

[Dispatch by "Our Own Correspondent" O. Shevtsov: "Tanks for the Poor Relations. Until Recently It Was Believed That Exports of Soviet Weapons Were of Economic Benefit. It Turns Out That This Was Not the Case"]

[Text] Rome—It is hard to find a more profitable business than the international arms trade. Commodity turnover on the international conventional arms market totaled $39 billion in 1987 and it remains at this level, despite some reduction in Third World countries' procurements owing to the debt crisis. In 1989 total world expenditure on arms totaled $950 billion.

The United States is the world's largest supplier of arms—these being the most modern and powerful weapons systems, moreover. The Soviet Union is the United States' only serious rival in the arms proliferation championships. Moreover, we are quite close behind it in this competition, and some international experts are insistently trying to award us the first prize which we carelessly wave away. Especially since the United States has published its official figures for arms supplies while the USSR deems its figures to be a private matter. Specialists agree in the opinion that the two superpowers account for roughly 70 percent of world arms exports. While five countries—France, Britain, China, Italy, and the FRG—account for another 20 percent. There only remains five percent for developing countries on this list, but to make up for it they are the main recipients for this specific commodity.

It is the unanimous opinion of the scientists, specialists, and official representatives from various countries who have come to Florence for the UN Conference "Glasnost in Arms Supplies" that the scale and qualitative parameters of the world arms trade contrast with the ongoing process of improving the international situation. Against this cheerful background, the incessant deliveries of vast quantities of modern weapons to the most explosive regions of the planet seem quite ridiculous. According to figures provided by the Stockholm International Peace Research Institute [SIPRI], the Near East swallows up 46 percent of all the arms procured by Third World countries while Southeast Asia accounts for 22 percent. There is an endless stream of aircraft, guns, tanks, and missiles to India and Pakistan which are vigorously making military preparations in connection with the increasing tension over Kashmir. Afghanistan, overloaded with weapons, is still strangled by war. There is a real threat of famine in the Horn of Africa, but no one there is running short on cartridges.

Of course there is a reason for every regional crisis. But the overarming of conflicting sides only ensures the transition from confrontation to combat operations which in turn require a constant input of ammunition, spares, and supplies.

Since the seventies, the arms market has begun to develop by its own economic laws. Coinciding with the oil crisis, the flourishing of the arms trade was liberally fostered by the flood of petrodollars onto the money markets. The arms trade became a reliable way of recycling oil revenue and a means of maintaining oil-producing countries' balance of payments. Commercial interests were superimposed on political-strategic aims. The lavish sale of licenses and "know-how" to their Third World allies rendered many of them net exporters of arms. Over virtually the last 20 years the market has grown to such a scale that it no longer seems possible to regulate it now.

The emergence of the arms "black market," where high-technology modern systems can be procured in circumvention of national restrictions and requisitioning, is of serious concern to Western countries. Weapons bought from these countries for some clients are resold many times and end up owned by other people who are prepared to pay any money for something that they are unable to obtain officially. Terrorists and the drugs mafia fall into this category.

You can if you so desire even find mass-destruction weapons on the "black market"—a fact which harbors irreversible consequences.

The USSR was only indirectly interested in the problems of the "black market" until it found out that conflict zones in our country such as the Transcaucasus and Central Asia could also be receiving arms illegally. Armenia and Azerbaijan were about to begin forming a "volunteer" army, equipping it with weapons they had obtained from some unknown source, including foreign weapons. Islamic extremists from Afghanistan are ready to "help" nationalist elements in our Central Asian republics at any time with their abundant weapons stockpiles.

At this stage the most feasible area of mutual interest for the principal arms manufacturers may be the establishment of general control over the movement of large weapons shipments and the restriction of the role of the "black market," which can seriously destabilize the political situation in whole countries and regions. Moreover, whereas the USSR punishes any nonstate arms production by law, there is an extremely large network of arms-manufacturing contractors in the West. Only persistence on the part of governments in jointly elaborating a register of arms sales and deliveries with other countries will make it possible to make progress on the problem of control. On the eve of the single European market in 1993 the EC commission is elaborating normatives for the registration of arms sales that are to be binding on all countries. The Soviet Union has stated its readiness to participate in working out the appropriate parameters for the registers at the United Nations.

Of late the expression "quest for peaceful solutions to regional conflicts" has supplanted the concept of "aid for national-liberation movements in their just struggle" in our official political lexicon. The USSR has become considerably more circumspect in its choice of partners and takes a well-considered approach to their requests for military supplies. We can, unfortunately, only judge the scale, direction, and dynamics of our arms deliveries from foreign statistics. According to SIPRI data, these deliveries dropped by $3 billion in 1988 in comparison with 1987 to total $12.77 billion, that is a 20-percent drop. The idle reader may retort that given a situation where our country has such difficulties in providing our population with all the essentials we could abandon free aid to friends, but it is just out of place to abandon our only competitive group of exports. The reader may be right, but only if... our arms exports bring in income. In the opinion of S.M. Rogov, head of the ISKAN [expansion unknown] Military-Industrial Studies Department, if we turn our attention away from political arguments, the economic advantage of exporting Soviet weapons is extremely dubious. To illustrate this, he proposed comparing the recently-published list of the main indebted developing countries with the list of the main recipients of our military output: they coincide in many respects. That is we are supplying weapons on tick, often with no hope of getting our money back let alone any interest.

But cutting arms exports is a hard process. Moreover, it entails difficult domestic political consequences for us. That is why, while reducing arms deliveries, we must convert military production in order to avoid unemployment and enable the most technologically developed sectors to effectively slot into the nonmilitary economy. Foreign experts consider it very important to select the right avenue for conversion in the first place: it is simply a waste of economic resources to manufacture skillets instead of tanks and juice extractors instead of guidance systems. There is no point in converting some production units. They must be cut. At the same time a sharp fall in employment must be prevented in this highly important sector of our national economy in order to avoid social tension. The first effective step in limiting this trade must be to ensure openness in this sphere and publish national statistics for arms exports. This alone can produce substantial savings in funds and resources—after all, no one can yet even roughly calculate the effectiveness of exporting arms.

Military

Military Ridiculed Over Batumi Aircraft Intrusion

PM1206151790 Moscow IZVESTIYA in Russian 13 Jun 90 Morning Edition p 6

[I. Andreyev report under the rubric "Happenings" and the general heading "Rust No. 2?"]

[Text] What was it—a prank? No, an unidentified aircraft crossed the state border before landing at Batumi and, after taking off again, violated it again. That is a fact, or rather that was a correspondent's report which became a fact after we checked it with Army leaders.

What were the intruder's motives in risking a stupid although not very long flight, who was he, where did he take off from, and where did he land after Batumi? Unfortunately we were not given the answers to any of these questions. Without confirming or denying the report, our interlocutors from the country's Air Defense Forces and the USSR Armed Forces General Staff refused to comment on the information, but they did describe it as an international incident...

It was only late in the evening of 11 June, when we had given up all hope of getting a comment, that the Defense Ministry distributed a short report via TASS. Confirming that a light aircraft had violated the USSR's air space from the Turkish side, at low altitude, and out of the zone of visibility of Air Defense Forces detection systems, the Defense Ministry categorically stated that "the nature of the flight leaves no doubt as to its provocative objectives." The report delicately sidesteps the piquant details that the pilot landed at Batumi and left flowers and a message for the USSR president, confining itself to the almost incomprehensible "The aircraft headed for a Ministry of Civil Aviation airfield in Batumi." Thank God that this latest Rust [reference to West German Mathias Rust, whose landing of light aircraft in Red Square led to the ousting of previous Defense Ministry leadership] had the tact not to land at a military airfield!

Because the incident happened so fast, it follows from the statement, Air Defense Force systems "were not activated." Translating this into generally understandable language, let us risk asserting that in fact they were too slow off the mark and let this intruder through too. And what can you say about our vigilant border guards who fired small arms at the aircraft on its way back.

It looks like there is a reliable air link between our southern regions and Turkey. It was inaugurated, as readers will probably remember, by the Soviet combat MiG which a traitorous pilot stole unhindered from Tskhakay airfield last year. Do we now have a return visit accompanied by a salute from border guard small arms?

Union To Represent Navy Auxiliary Personnel

PM1206150190 Moscow KRASNAYA ZVEZDA in Russian 12 Jun 90 First Edition p 2

[Article by N. Komarov, member of the working group to prepare and hold the Association of Navy Auxiliary Ship Personnel's constituent congress: "To Defend Seamen's Interests. Association of Navy Auxiliary Ship Personnel Set Up"]

[Text] Numerous proposals from labor collectives and trade union organizations within naval formations and auxiliary vessels regarding the creation of an individual public formation within the framework of the naval trade union have been implemented.

The Shipbuilding Industry Workers Union Presidium has set up a working group and allocated the funds needed to prepare for and hold the constituent conference of the Association of Navy Auxiliary Ship Trade Union Organizations. Trade union delegates from all fleets, the Leningrad Naval Base, the Caspian Flotilla, and formations, along with the leaders of some Navy and Defense Ministry services, took part in its work.

The conference ratified the association's statutes and its program, elected the coordinating council, and determined the organizational structure and the procedure for forming and spending the association's budget. N. Polyakov, secretary of the Leningrad Oblast naval trade union committee, was elected chairman of the coordinating council.

According to the statutes, primary organizations within Navy auxiliary formations and individual ships, other organizations with personnel in service afloat, and individual crew members can be members of the association. The association's main tasks are to defend personnel's interests in the sphere of production, wages, and labor protection, help solve urgent social questions with greater vigor, ensure observance of labor legislation, and organize legal and material aid for association members and Navy auxiliary ship crew members.

Baltic Republics

Reportage, Commentary on Baltic Negotiations

Gorbachev Ill; Cancels Meeting

AU1306153990 Paris AFP in English 1530 GMT 13 Jun 90

[Text] Moscow, June 13 (AFP)—Soviet leader Mikhail Gorbachev was forced to call off from a planned meeting Wednesday with Lithuanian Premier Kazimiera Prunskiene because he felt slightly unwell, Mrs. Prunskiene said.

Mrs. Prunskiene along with her deputy Algirdas Brazauskas met with Soviet Prime Minister Nikolay Ryzhkov and the President of the Supreme Soviet Anatoly Lukianov, the Radio Moscow publication INTERFAX said.

Mr. Gorbachev, had been due to take part in the meeting but he was forced to call off "because he felt slightly unwell", Mrs. Prunskiene said. Mr. Gorbachev has maintained a punishing schedule in recent weeks including a summit with U.S. President George Bush in Washington and worsening economic and ethnic problems at home.

Ryzhkov Comments

LD1306205690 Moscow World Service in English 2010 GMT 13 Jun 90

[Text] In an interval between sittings of the USSR Supreme Soviet, Prime Minister Nikolay Ryzhkov, who on Tuesday attended President Gorbachev's meeting with the chairmen of the Supreme Soviets of Lithuania, Latvia, and Estonia; replied to questions from Radio Moscow's Vyacheslav Terekhov about ways of settling the Baltic problem.

Nikolay Ryzhkov said the central government believed that the Baltic republics should take a series of decisions that would make it possible to open negotiations.

We believe we have made a very important step. If until recently the Congress of People's Deputies of the USSR insisted on cancelling Lithuania's latest resolutions altogether, at the Tuesday meeting we agreed that freezing these resolutions for the period of talks would, too, be an acceptable option. This would make it possible, on the one hand, to preserve those resolutions as valid and, on the other, to initiate debates over the whole complex of urgent problems. It's up to the Baltic republics to make decisions now.

If they choose to accept our proposals, opportunities would open up for further talks with the three republics. Nikolay Ryzhkov then said that the Baltic delegates had heard the top leadership's proposals with understanding. He said sitting down at the negotiating table with, say, Lithuanian representatives, would make a settlement of economic disputes between the USSR and Lithuania feasible.

Asked whether one could say that the Lithuanian question had been pulled out of the deadlock, Nikolay Ryzhkov replied in the affirmative. People, he said, were beginning to understand that they had embarked on a wrong road, which had brought them to a dead end and that efforts should be taken to get out of there. It's their turn to make a move the prime minister said, because the central government had already gone its part of the way.

He refuted the allegation that the center had adopted an uncompromising stand. If that were so he said we would have adhered to the policy worked out during the Third Congress of Peoples' Deputies but we did make a step toward compromise for the sake of having the dispute settled.

According to Nikolay Ryzhkov, talks with the Lithuanian prime minister, Kazimiera Prunskiene, have centered around ways of ensuring further progress in the event that the republic's Supreme Soviet takes compromise decisions. In fact, Nikolay Ryzhkov concluded, we are looking for future solutions to the Lithuanian problem.

Ryzhkov Urges Compromise

PM1306150790 Moscow IZVESTIYA in Russian 14 Jun 90 Morning Edition p 1

[Interview with N.I. Ryzhkov, chairman of the USSR Council of Ministers, by INTERFAX correspondent V. Terekhov; place, date of interview not given: "Beginning. Answers from N.I. Ryzhkov, Chairman of the USSR Council of Ministers, to Questions Put by INTERFAX Correspondent V. Terekhov"]

[Text] [Terekhov] What is the status of resolution of the Baltic problem?

[Ryzhkov] At yesterday's meeting between President Mikhail Gorbachev and the chairmen of the Lithuanian, Latvian, and Estonian Supreme Soviets, we told them that, in our opinion, these republics must adopt definite decisions that would enable them to come to the negotiating table. This applies particularly to Lithuania. We believe that we have, for our part, taken a very major step to meet them halfway. You know that the Congress of USSR People's Deputies demanded that the Lithuanian Supreme Soviet's decision be repealed. We told the leaders of the Baltic republics yesterday that we could also agree to the scenario whereby they put their independence decisions on ice throughout the negotiating period. This will make it possible, on the one hand, not to repeal those decisions and, at the same time, to begin the process of discussing the accumulated problems. How they act now and what decisions they adopt is their own affair. Everything depends on them. If they agree to do this, there are great opportunities for further talks with Lithuania, Latvia, and Estonia.

[Terekhov] How did they react to your proposals?

[Ryzhkov] I think they greeted these proposals with understanding, although Lithuania is in a difficult position. It has, after all, already adopted the relevant decisions and now must put them on ice. However, I believe the Lithuanian leaders understood our standpoint. What practical steps follow depends on them.

[Terekhov] Was the question of continuing or suspending the economic sanctions against Lithuania raised?

[Ryzhkov] We told V. Landsbergis yesterday that if our proposal is accepted, we will come to the negotiating table and then be able to adopt a decision on regulating our economic relations.

[Terekhov] Do you think resolution of the Lithuanian question is beginning to materialize?

[Ryzhkov] I think so. Resolution of the question has begun to materialize, and people are beginning to realize that the wrong path was chosen and they have gotten themselves into an impasse and now do not know how to get out of it. I believe they realize this. But, I repeat, it is up to them to resolve this. We have done our part.

[Terekhov] Is it right to accuse the center of taking a categorical standpoint?

[Ryzhkov] No. If we cleaved to a categorical standpoint, we would stick to the stance elaborated at the Third Congress of USSR People's Deputies. We have already taken a compromise step in order to resolve this question.

[Terekhov] What will you be discussing at the coming talks with Lithuanian Premier K. Prunskiene?

[Ryzhkov] We must discuss ways of making further progress in the event of the Lithuanian Supreme Soviet accepting our compromise proposals. We must determine practical steps. This will involve a quest for further ways to resolve the Lithuanian question.

Baltic Leaders on Meetings

LD1306122190 Moscow TASS International Service in Russian 1053 GMT 13 Jun 90

[Excerpts] Moscow, 13 June (TASS)—TASS correspondents report:

There has been a move for the better in mutual relations between Moscow and the Baltic region, thinks Arnold Ryuytel, chairman of the Estonian Supreme Soviet, basing this on the results of the conversation yesterday with USSR President Mikhail Gorbachev. Talking about the small moves toward mutual understanding between the Baltic region and the center on giving independence to Lithuania, Latvia and Estonia, he noted the word "talks" now is being used in both sides' official lexicon.

The Estonian Supreme Soviet chairman gave Estonian Radio an interview on his return to Tallinn, in which he confirmed an indispensable condition for starting talks is Moscow's recognition of the so-called transition period announced 30 March in Estonia. As is known, the Estonian Supreme Soviet decision which proclaimed this period has been deemed null and void by a decree of the USSR president as violating the USSR Constitution, and is subject to repeal.

Vytautas Landsbergis, chairman of the Lithuanian Supreme Soviet, and Anatoliy Gorbunov, chairman of the Latvian Supreme Soviet, held a news conference late yesterday evening in the Lithuanian permanent mission building in Moscow. Together with Arnold Ryuytel they met with USSR President Mikhail Gorbachev.

During the meeting, which the news conference participants called a "preliminary consultation," there was "a useful exchange of views" on the situation that has taken shape around the Baltic republics. As noted by Landsbergis, there was "a certain more precise definition of positions; points of contact that can promote a way out of the situation that has taken shape, and a start of genuine political dialogue between Lithuania and the Soviet Union with, at the same time, the removal of the economic blockade, were more clearly defined." Vytautas Landsbergis did not report what kind of concrete proposals were expressed at the meeting, only pointing out it is essential to discuss them in the Lithuanian parliament. [passage omitted]

Attending the Soviet of the Federation was "a useful prelude" to the conversation, which lasted more than two hours, with the USSR president, Vytautas Landsbergis noted. Certain new points heard at that session, in particular the concept of a future Soviet Federation as a "union of sovereign states," aroused definite interest among us, he stressed.

Landsbergis Assesses Meeting

LD1306184690 Moscow TASS International Service in Russian 1741 GMT 13 Jun 90

[By TASS correspondent Kazis Ustsila]

[Text] Vilnius, 13 Jun—Vytautis Landsbergis, chairman of the Supreme Soviet of Lithuania, gave a report today at a session of the republic's parliament on the meeting between the leaders of the three Baltic republics and with USSR president, which took place in Moscow yesterday.

"The conversation as a whole was specific and constructive, I would say—even friendly," Vytautis Landsbergis stated. "This may be regarded as a good sign—there is an obvious desire to resolve the problem, without forcing us to subject ourselves to the stronger one, but to find a mutually acceptable way out."

The chairman of the Supreme Soviet of Lithuania said that "our side should also think" how "to take definite steps, without harming Lithuania and our chosen political path," which would allow the USSR president "to start talks with us as a partner with whom one has to resolve this interstate problem."

In the words of Vytautis Landsbergis, the leadership of the Soviet Union is interested "in putting an end to the blockade as soon as possible," but in order to do this "simultaneous steps are needed in order to meet halfway, without demanding capitulation by one of the sides."

"The sufficiently frank and constructive spirit of the conversation that took place inspires hope," said Vytautis Landsbergis, after requesting parliament's consent to "continue political work," and "to get contacts going" in order to "propose the possible variants to the Supreme Soviet then."

Prunskiene on Talks

LD1306161490 Moscow TASS International Service in Russian 1506 GMT 13 Jun 90

[Report by TASS correspondent Aleksandr Budris]

[Text] Moscow, 13 Jun (TASS)—Head of the Soviet Government Nikolay Ryzhkov and Anatoliy Lukyanov, chairman of the Supreme Soviet, met Kazimiera Prunskiene, chairman of the Lithuanian Council of Ministers.

In an interview with the TASS correspondent, Kazimiera Prunskiene said agreements on a whole range of specific issues have been reached, although a common opinion has not been arrived at on everything.

According to what the Lithuanian head of government said, participants in the meeting discussed conditions for lifting the "economic sanctions" against Lithuania. The republican leadership, she noted, "should discuss very carefully the question of suspending for now the possible negotiations with the USSR on the act of Lithuanian independence of 11 March. The Lithuanian government, Kazimiera Prunskiene stressed, needs to formulate its position on this issue, to discuss it in parliament, and present it to the USSR leadership.

However, an understanding aleady has been reached on the partial increase of gas supplies and on providing raw materials to some republican enterprises. The Soviet Government, Prunskiene said, also intends to examine the question of renewing fuel supplies for Lithuania's agriculture.

"We do not doubt the economic blockade will be lifted. That was said quite specifically," the head of the Lithuanian government stressed.

The question of Lithuania's possible participation "in a reconstructed federation", of the republic signing a Union treaty, and of this document's conditions also were discussed. It was proposed to Lithuania it take part in elaborating new conditions for forming the Union market. Here, as Kazimiera Prunskiene stressed, the Lithuanian representatives "did not express a categorical position," taking account of the fact the republic is an interested side in this question.

In the words of the head of the Lithuanian government, Nikolay Ryzhkov characterized today's meeting as "the beginning of a concrete dialogue on the question of future talks." Kazimiera Prunskiene arrived in Moscow on 11 June. However, "due to the overloaded schedule" of Nikolay Ryzhkov, she did not manage to meet with him. Algirdas Brazauskas, deputy chairman of the Lithuanian Council of Ministers, also took part in today's meeting.

Prunskiene, Brazauskas Interviewed

LD1306193890 Vilnius Domestic Service in Lithuanian 1704 GMT 13 Jun 90

[Interview with Lithuanian Prime Minister Kazimiera Prunskiene and Algirdas Brazavskas, deputy chairman of the Lithuanian Council of Ministers, by correspondent Benas Rupeika, at Vilnius airport on 13 June —recorded]

[Excerpts] [Announcer] Benas Rupeika interviewed Lithuanian Prime Minister Kazimiera Prunskiene and her deputy, Akgirdas Brazauskas. After Rupeika welcomed Kazimiera Prunskiene at the airport [in Vilnius], she said:

[Begin recording] [Prunskiene] There was a certain rapprochement of positions; the more humane tenor of the conversations is promising.

[Rupeika] What did you bring with you?

[Brazauskas] Although we expected to bring more, what we have brought is not bad. First, we solved the Jonava problem with esteemed Ryzhkov. Gas will be delivered. We talked very seriously about people from abroad being able to come to Lithuania. The problem of the blockade remains. They are sticking to their opinion that the March act should be suspended during the period of negotiations. This is the most difficult issue, the greatest problem. We have discussed this problem and will seriously discuss this on Saturday morning in the government commission. This is the vital issue concerning our Lithuania and our nation. We cannot escape from it, and our government will have to discuss it and submit corresponding proposals to the Supreme Council. Let us hope that the Supreme Council will evaluate this critical situation in Lithuania.

We held talks with Nikolay Ryzhkov and Anatoliy Lukyanov for almost two hours, we were told that President Gorbachev wanted to see us, too, but he is ill. This is true; he is not at work. Maybe, this is not that important because his views were passed on to us by these leaders, and I think that we would not have achieved more if we had seen the president himself. Therefore we face very serious deliberations in the near future in the republican government and in the Supreme Council. I think that these government bodies will find the best solution.

[Prunskiene] It was very annoying that a meeting with President Gorbachev, promised to us last Friday, did not take place today because of his indisposition. We hope this will not last long. I think that Lithuania is now being regarded as an entity that retired but there is now a desire that it should return. The tone and nature of the conversation have basically changed. [passage indistinct] There were no accusations like those which sometimes appear in the press. It was a calm, businesslike conversation [words indistinct] to bring the negotiations closer. We have reason to believe that force will not be used against youths who refuse to do military service.

[Rupeika] The way to negotiations, it seems, has not yet reached the point where the threshold of equal partners in negotiations in Moscow can be stepped over?

[Prunskiene] I think that there are already elements of partnership in the conversation. We are not defendants in this conversation, we were able to state our position calmly and in detail. However, what happens next does not just depend on the government. It depends, on our side, on whether the government agrees with the [word indistinct], the presidium. We must seriously consider the government's general attitude, define it, and only then submit it to parliament.

It will be difficult for a long time. It will be difficult to start negotiations, and difficult to conduct them. Negotiations will not be easy but we will go forward and I think we will not go forward alone. In some sense the world will take part in our advance. [end recording]

Ryuytel Comments

LD1406084690 Moscow Television Service in Russian 2100 GMT 13 Jun 90

[Interview with Arnold Ryuytel, Estonian Supreme Soviet chairman, by V. Velman; place and date not given; from the "Television News Service" program—live or recorded;]

[Text] [Velman] Deputies have already adopted two important laws at the present session, on immigration and on property. Without going into details of these laws, which are fundamental to Estonia's present policies. I will just note that as a whole they consistently continue the policy of moving the republic further toward independence and sovereignty.

Since the session of the USSR Federation Council was held in Moscow yesterday, following which the chairmen of the Supreme Soviets of Lithuania, Latvia, and Estonia had a meeting with USSR President Mikhail Sergeyevich Gorbachev, I asked our chairman, Arnold Ryuytel, to give his impressions of his visit to Moscow.

[Ryuytel] I'd say that it was pleasant for me to hear, at the opening of the session, Mikhail Sergeyevich Gorbachev give an explanation of innovations to the Soviet Federation. I think this is a great step forward in democracy and toward a democratic society, particularly if you take into account the fact that the Soviet Union is a multiethnic state. And, of course, through such innovations in democracy, the road is being paved above all for the development of national cultures and economies.

[Velman] Could yesterday be seen as the day a political dialogue started between the center and the Baltic region?

[Ryuytel] Yes, I think that is right. As you say, the dialogue really has begun.

[Velman] According to the timetable for the work of the deputies, the next sitting of the Estonian Supreme Soviet session will start on Monday. [18 June].

Gorbunov Informs Supreme Soviet

LD1406004290 Riga Domestic Service in Latvian 1405 GMT 13 Jun 90

[Address by Anatolily Gorbunov, Latvian Supreme Soviet chairman, at the Latvian Supreme Soviet session in Riga—live]

[Excerpts] [Gorbunov] Esteemed deputies, so, in Moscow a Federation Council session took place, to which also we, the chairmen of the Supreme Councils of Estonia, Latvia, and Lithuania, were invited. Having had prior consultations, we decided to participate in this session. It was kind of a bilaterally expressed opinion, both on our part and by President Gorbachev, that after this sitting we could have a meeting during which we would discuss the question of how to further realize the relevant declarations of independence, which have been adopted at the Supreme Councils in Estonia, Latvia, and Lithuania.

(?I would here) continue our standpoint, describing what kind of a goal I set in general when participating at the federation session and then in the discussion with USSR President Mikhail Gorbachev. I wanted to acquaint the Federation Council members with the Supreme Soviet's standpoint. If it could briefly be put like that, the leadership, that is, of my colleagues and me, and the leadership of the Council of Ministers, how we intend to further realize the 4 May declaration. [sentence as heard]

In this regard we proposed the question that talks must now be started here at which the legal status of the transitional period to the implementation of a complete state sovereignty must be determined.

It must be said that, when expounding all that, Gorbachev asked one question and, after that, made one conclusion.

The question was whether our—I am simply informing you how it was, [words indistinct] the question whether our Constitution [words indistinct] in deciding the more important questions of the state. I replied to him that this is envisioned for us by our Constitution.

Second, in conclusion he said we have expounded these proposals concretely, and therefore he proposes to discuss them separately after the federation's sitting, that is, he, Ryzhkov, and us.

Well, he did think that, that only with (?mine), or corresponding proposals from Ryuytel and from Lithuania, from Mr. Landsbergis, but we have a kind of, at least an agreement that we are endeavoring, as we also did this time, all three republics, to discuss [words indistinct] matters jointly, and also to propose these questions jointly. We also did it that way.

Now about that how concrete talks with Mikhail Gorbachev took place about the proposal advanced by us that concrete talks must be started [passage indistinct]

In this connection Mikhail Gorbachev was interested in the following:

How do we understand this transitional period? What are the main elements, in our opinion, which should be in this transitional period?

We of course, replied [passage indistinct] We replied the following:

The first and main principle is the independence of Latvia, (?and also) the sovereignty of the Supreme Council. That is, if we speak in kind of perhaps quite simple words, that the laws of Latvia, the laws of Latvia have the supreme force in Latvia. Well, if we speak, kind of quite, quite simply.

Of course, here in the transitional period already now problems have arisen, when the Supreme Soviet of the republic of Latvia came into contradiction with USSR laws or the USSR Constitution.

Then we said any such contradiction is to be solved on the basis of a treaty, at talks, but only with one remark, and a concrete remark, on the basis of equal rights and bilateral interests.

As one of such versions I simply mentioned by way of an example that one of such questions could be the question connected, connected with all military matters or with the matters of the Ministry of Defense in Latvia, with the matters and interests of the USSR Ministry of Defense in Latvia.

It must be said that both Gorbachev and, in this concrete talk Ryzhkov also participated, they said this could be so.

Listening to all these arguments of ours, I hope that my address was duplicated for you and handed out.

Expounding all this, when our proposals and our intentions were clear to Gorbachev and Ryzhkov, then they, in their turn, advanced their proposal: They are ready to immediately begin talks on the legal status of this transitional period, talks on the basis of equal rights, and to conclude this treaty, if for these talks, for the duration of these talks, the Supreme Soviet of the republic of Latvia would freeze the implementation of the May declaration.

We, in our turn, we, or I, said that I will make this proposal of his known to our parliament, and we will submit—those who submitted the corresponding proposals to President Gorbachev, that is, I mean, I and my colleagues—we will submit concrete proposals for examination at our parliament.

Very briefly, this is all. I am ready to answer concrete questions, if you have any.

Vilnius Radio Carries 13 June Supreme Council

Agenda Approved

LD1306092990

[Editorial Report] Vilnius Domestic Service in Lithuanian at 0700 GMT on 13 June begins to carry a live relay of the Lithuanian Supreme Council session in Vilnius.

The relay opens with the announcement that the chairman of the Supreme Council returned from Moscow late last night and will shortly arrive to the session.

Deputy Abisalas then reads the proposed agenda for today, as follows:

1. The continuation of debates on the decisions adopted by the Vilnius Rayon Local Council on 24 May 1990.

2. Appointing the chairman of the inspectorate for the protection of national heritage.

3. The decision of the Supreme Council of the republic of Lithuania concerning the decision adopted by the provisional commission of the Supreme Council on a draft resolution for the solution of the return of citizens of Lithuania who are currently doing their military service in the Soviet Armed Forces. The issue will be presented by Deputy Mecys Laurinkus.

4. Draft laws on the provisional protection of the republic and conscription for protection of the republic. These two draft laws will be presented by Deputy Audrius Butkevicius, general director of the protection of the republic department.

5. The commission on legal matters asks for the adoption of a brief decision on setting up a commission for the investigation of activities of corrective labor institutions. The issue will be presented by Deputy Prapiestis.

6. The draft law on state enterprises of the republic of Lithuania. The issue is to be presented by the economics commission, Deputy Vagnoris.

7. The commission of health care and social security is to present a draft decision concerning the length of holidays for workers and office workers.

The first item on the agenda is to continue debates on the decisions adopted by the Vilnius area local government; this in fact is the Polish issue. Deputy Abislas says that Vytautas Landsbergis will make a report later today on his meeting with Gorbachev.

At 0708 GMT a vote is taken on the agenda; it is adopted by a majority of votes. Several statements, one from the United States, another from the workers of Kaunas which condemns J. Baltusis, a prominent writer described as an ardent enemy of the present government and Sajudis are ready.

At 0714 GMT a vote is taken on two proposals, to postpone the debates either for a week or for two weeks. By a majority of votes, the first proposal is adopted.

At 0725 GMT Deputy Ilgunas, chairman of the commission for education and culture, presents the candidate for the post of the inspectorate for the protection of monuments of culture. The candidate is nominated by Bronius Kuzmickas, deputy chairman of the Supreme Council; he is Naglis Puteikis. Following this, debates on the proposed candidature begin.

At 0808 GMT a vote is taken on the proposal to appoint Naglis Puteikis to the above post. By a majority of votes the appointment is approved.

At 0810 GMT the draft law on state enterprises of the republic of Lithuania is presented by Deputy Vagnoris.

At 0825 GMT after questions to Deputy Vagnoris, the session is adjourned until 0900 GMT.

Military Service Viewed

LD1306114990

[Editorial Report] Vilnius Domestic Service in Lithuanian at 0900 GMT on 13 June resumes its live relay of the Lithuanian Supreme Council session in Vilnius.

At 0900 GMT the sesson resumes its work. A procedural question is being solved with regard to the election of commissions of the Supreme Council.

At 0913 GMT the election of the vote counting commission is in progress. The commission is elected.

At 0915 GMT the issue on the agenda presented is: the length of holidays for workers and office workers.

At 0920 GMT Mecys Laurinkus presents a draft resolution for the solution of the problem of bringing back all citizens of the republic of Lithuania currently serving in the Soviet Armed Forces. He says that "the issue of the military service of Lithuanian young men has been and I think will remain for a long time to come the most complex issue both politically and practically as well as morally." Mecys Laurinkus suggests that the functions of the provisional commission of the Supreme Council should be transferred to the department of the protection of the republic.

Following this, he reads a draft resolution which says that the Supreme Council commission for matters related to military service in the Soviet Armed Forces should now be dissolved and the functions of the above commission should be transferred to the state department for the protection of the republic. Laurinkus then answers questions.

At 0935 GMT Audrius Butkevicius, general director of the department for the protection of the republic, takes the floor. He speaks about matters related to practical implementation of the objectives of the above commission such as staff, money, and so on.

At 0943 GMT debates on this issue are in progress.

At 0950 GMT the debates conclude. A vote is not taken because there is no quorum in the house, because some deputies are taking part in the sitting of the presidium of the Supreme Council currently under way.

M. Laurinkus takes the floor again and says that "reforms in the Soviet Armed Forces are taking place very slowly, much slower than any other processes taking place in society. This was stated once again at a sitting of a committee of the Supreme Soviet in Moscow where I took part as an observer. This was stated by the servicemen themselves who are for reforms." He says that the Soviet Armed Forces are most conservative, therefore, processes possible in other fields of life in Soviet society are practicaly impossible within the Soviet Armed Forces. He says that although some reforms in the Soviet Armed Forces do not concern Lithuania, "what concerns us is the very pace of these reforms now taking place."

M. Laurinkus goes on to say that all action of citizens of the republic, and statements or speeches on the issue of military service or the citizenship should be coordinated from now on with the department for the protection of the republic.

At 1002 GMT A. Butkevicius presented the draft law on protection of the land. He says that the state should be responsible for those recruited to the Soviet Armed Forces and for their future. Therefore, he says, a law on the protection of the land, that is, of the republic, should be adopted. He goes on to speak about the draft law on conscription for the protection of the republic. Young men should swear allegiance to the republic, and as a result of this they cannot be called for military service in the Soviet Armed Forces and swear their allegiance to the USSR.

A. Butkevicius says that "about 5,000 young men have absconded from recruitment to the Soviet Armed Forces" and are now in hiding. He says that there is a certain danger that criminal offences might be committed by these young men. A. Butkevicius says that these young men should be protected.

Following this, he speaks in more detail concerning conscription for the protection of the republic. He said

that because "at the moment real military units will not be set up in this republic", alternative service will be offerred to those young Lithuanian men who have to do their military service. These will be work groups set up on the territory of Lithuania.

At 1012 GMT there are questions to A. Butkevicius. One questioner asks if the protection of land is indeed necessary at the moment. A. Butkevicius says that viewing the realistic possibilities currently available in the republic, he does not see any other means for the protection of those young men who are currently serving in the Soviet Armed Forces.

A deputy (name indistinct) asks if negotiations with the Soviet Union can be brought nearer if the republic starts recruiting young Lithuanians for the protection of the republic. He also says that these young recruits could be easily used by the Soviet military for purposes of their own.

Deputy Abisalas asks to discontinue debates on the draft law, because the current process is only presentation of the draft law. Detailed debates will take place later.

At 1020 GMT the session adjourns until 1200 GMT.

Landsbergis on Moscow Visit

LD1306155290

[Editorial Report] Vilnius Domestic Service in Lithuanian at 1200 GMT on 13 June resumes its live relay of the Lithuanian Supreme Council session in Vilnius.

At 1200 GMT the session resumes its work, with Deputy Prapiestis presenting a draft decision on setting up a parliamentary commission for investigating the activities of corrective labor institutions currently in operation in this republic. Deputy Prapiestis says that these institutions are run by special troops of the Soviet Armed Forces and are not subordinate to the authorities of this republic. Investigation into any complaints by the prisoners living in these institutions are not easy. A draft decision is read.

At 1207 GMT debates follow on the proposal.

At 1214 GMT the debate concludes, a vote is taken, and the decision is adopted.

At 1215 GMT Mecys Laurinkus reads the text of the draft resolution concerning the return to the republic of Lithuanian young men serving in the Soviet Armed Forces.

At 1231 GMT there is a debate on the issue of dissolution of the parliamentary commission and setting up a government commission at the protection of the republic department, which would deal with the problems of young Lithuanians serving in the Soviet Armed Forces. A proposal is made to set up a special commission consisting of deputies from various parliamentary commissions which would now start getting ready for negotiations with the Soviet Union on military issues.

At 1257 GMT Vytautas Landsbergis, chairman of the Lithuanian Supreme Council, takes the floor to report on his visit to the Kremlin and talks with the leadership of the Soviet Union. The report is concluded at 1339 GMT.

At 1340 GMT several procedural questions are debated; a debate on the draft law on state insurance is postponed because there is not enough time left today to complete the debate.

Following this the agenda for next week's plenary sessions is discussed.

It is proposed to start the plenary session on Tuesday at 0700 GMT; the first item on the agenda is the draft law on state insurance. This will be followed by debate on the decisions of the local government of Vilnius Rayon; after that, appointment of the state controller of the republic of Lithuania, and appointment of director general of Lithuanian TV & Radio. In addition to this, there will be amendments to violations of the code of civil administrative rights of the republic of Lithuania, and adjustment to the budget of the republic.

Eight judges of the republican Supreme Court have not yet been elected, therefore this will be done next week at the pleneray session.

The session ends after several procedural questions have been solved. The session will be held on Tuesday, full day; on Wednesday from 1200 GMT to 1530 GMT; and on Thursday from 0700 GMT to 1330 GMT.

Landsbergis Addresses 13 June Council Session

LD1306173990 Vilnius Domestic Service in Lithuanian 1257 GMT 13 Jun 90

[Statement by Vytautas Landsbergis, president of the Lithuanian Supreme Council, at Lithuanian Supreme Council session in Vilnius—live]

[Excerpts] Esteemed colleagues, deputies: Yesterday in Moscow I took part in two meetings or consultations. They concerned the message to Mikhail Gorbachev that was adopted and confirmed by the Baltic Council in Jurmala that proposed that he meet the chairmen of the Supreme Councils of the three Baltic states to examine many problems. [passage indistinct]

It was agreed through Mikhail Gorbachev's [word indistinct] that this could take place after a meeting of the Federation Council, which was held yesterday. [passage omitted]

As you know, the leadership of the Soviet Union, according to tradition, regards the Baltic states as union republics, so that our appearance there was perhaps expected and understandable and, on the other hand, it was the subject of some interest. [passage indistinct]

Two views became apparent. One of them was a proposal for a new union agreement, about who could prepare it, whether the republics would appoint their

delegates or whether they themselves would propose various versions and projects. This would be some union agreement in which, according to Anatoliy Lukyanov, [words indistinct]. In Mikhail Gorbachev's statements a certain variety of links became apparent [passage indistinct]. Such an idea was expounded by Boris Yeltsin—of forming a new model of the union, not from above, not on the instructions of some delegates or experts, but purely by concluding direct agreements dictated by life between the republics or states.

I later reacted by stating that although Lithuania is already [word indistinct] from outside, if need be, [passage indistinct].

The presence there of all three chairmen of the Baltic states was rather simple, not like [word indistinct] foreign press where especially Lithuania [passage indistinct] could insult or protest and so on. [passage omitted]

When Mikhail Gorbachev invited me to speak, I said that perhaps there was no need [passage indistinct].

I started from the blockade. An interesting discussion ensued about the blockade against Lithuania. For a long time nobody used this expression. We heard support from the chairmen of the union republics that this was not good and it should be ended as soon as possible.

If somebody is angry with the republic's leadership or parliament, why should all the people suffer, why should such punishment be applied. This does not correspond with the regulations of the convention that the Soviet Union has signed, about the impermissibility of such collective punishment. It is common sense that such measures should not be applied.

I would say that [passage indistinct] various links, there was even such an expression—various levels of freedom. It meant that the republics could hand over to the center various parts of their rights: some being more developed and independent, some being rather poor and unable to manage their affairs independently from the outset.

It was said that such a model is possible and that this concept, which Mikhail Gorbachev had already used in one of his speeches—and this concept was also strongly supported by Yakovlev—which is a union of sovereign states, was consolidated there.

Well, of course, if this implies [as heard] then it is possible to think of some European future such as the European Community. These, in fact, are essentially economic unions, and if the need arises these can be military unions, such as NATO. However, these are virtually economic unions because it is the economy that unites them.

One more important thought which was voiced there and which, I think, is clear to many, at least in theory, is that as soon as the free market is introduced it will become a political factor which will unite the republics. Establishing direct economic cooperation while avoiding the center, these republics would establish stronger links and a dependance on each other in the positive sense of the word. This would be rather different than attempts to block by coercion their striving for self-dependence, because this striving is universal and this was stated by everybody. Each republic is striving to achieve this.

When I was asked to voice my opinion I said that to my mind the union as it had been is not needed by anyone. Such a Soviet Union is needed perhaps by the central departments or the general headquarters or by people who find it easier and more profitable. [passage indistinct]

I can also acquaint you with with certain points. A discussion took place concerning the blockade and also concerning other things. I think that opinions voiced by Chairman Ryuytel and Gorbunov—Ryuytel was answering some of Gorbachev's questions—we had to give a lot of information to the chairmen of the republics and in fact to inform them about what we were striving for and how we were achieving it [sentence as heard]. Of course, it was becoming clear that the problem was the same, only ours was a historical situation which allowed us to take a more resolute step rather earlier. It seems that it looked attractive enough to other republics in the present Soviet Union as well.

We were, or course, discussing our tradition as a union republic. Therefore, when I stressed the state difference which allows one to speak from a certain position about certain things, then one is confronted with a certain barrier, a barrier of habit, which makes us appear to some as irritating. Some may see in it a certain peculiarity of the three republics. Well, one will have to get used to the idea. They will have to get used to the idea that we are talking from the position of a state.

And now, if you would like, I can read the propositions that I wrote down and that I think have some meaning with regard to our future talks with the Soviet Union about some specific issues.

There are four proposals:

1. Will the present-day Soviet Union decide to form a federation, a confederation, an alliance of states, or a community, or will it have mixed variants? Lithuania has to choose its path—possible participation as a sovereign subject in international law. [passage omitted]

2. [Words indistinct] to discuss the application of the Lithuanian law on referendums. There was a time when we used to raise this issue at every rally or in every leaflet. However, in fact this is no longer stressed over [passage indistinct].

3. According to our view, the system of bilateral treaties will guarantee the strategic, communications, and economic interests of the Soviet Union in Lithuania as well as the rights of USSR citizens living in Lithuania.

4. Discussion of these and other issues leading to negotiations and treaties must not take place under conditions of an economic and transport blockade because pressure or coercion will throw doubt on the legality of any treaty.

Well, later there was talk about the blockade, perhaps not [words indistinct] and about prospects to start negotiations to resolve the relationship. Both Ryuytel and Gorbunov spoke about this. Gorbunov proposed a certain type of negotiation. There was talk about freezing the declaration of independence in order to be able to define the legal status of the transition period in Latvia while ensuring that the Latvian Supreme Council maintains its sovereign right, because in Latvia the situation is more complex. Threats and attempts have been made to prevent the Latvian Supreme Council from performing its function as a legal body. [passage indistinct]

This was followed by a closed discussion which perhaps lasted an hour or so. [passage omitted]

Perhaps we will agree sooner, when our talks are clearer. On the other hand, there may be some danger of a kind of split among the Baltic states since Lithuania is striving for one thing and Latvia and Estonia are not as determined. Perhaps, other talks with them may take place later on seperately. We wish to have a common language. Of course, the union [words indistinct] to select a position on the formulation of the problems.

I would not like to describe in detail a close conversation with Mikhail Gorbachev. It was businesslike, [words indistinct] friendly, and this is a good sign. I think that there is a clear will to solve the problem, not by compulsion to obey the stronger, but to find some kind of formally acceptable version, because President Gorbachev is formally committed by the decision of the Third Congress of Deputies, although I was compelled to draw attention to his lack of logic and to the contradictions. It is strange to base oneself on such a document [words indistinct]. Basically, he is being pressed by this document, especially by deputies who, as you know, belong to the Soyuz group. They are people of superpower mentality, linked with the old nomenclature. They are sufficiently numerous. They constitute an important political force [passage indistinct].

We must think what we can do ourselves through the acts and decisions adopted by us. This is in our power as a sovereign state, a sovereign authority. Any such action confirms the [passage indistinct] there will be many concrete problems, [word indistinct] property, investment, etc., the ensuring of defense interests. He sees it in our document, that we talk about it, that we are determined to discuss this and that, so that concrete negotiations can begin.

Of course, (?he himself would like) to lift the blockade as soon as possible. Maybe there is a moment when this can be seen and observed, and it is necessary [words indistinct] to do something by both sides, without demanding that we capitulate. We should not demand that the Soviet Union capitulate. These are political matters of a psychological nature, but they are important.

Now, what more did I ask? I can tell. I asked that at the same time as we are going to think about what to do, the Soviet Union's leadership should think, too. Unfortunately, in this second meeting Prime Minister Ryzhkov did not take part. He is to meet our prime minister, Kazimiera Prunskiene, and her deputy, Algirdas Brazauskas, today. This meeting has been promised for today.

Ryzhkov has spoken about Lithuania's need for such economic support, about whether this would be [passage indistinct] a certain period of a couple of years to orient Lithuania's economy. These were businesslike remarks, and the issue concerns the conclusion of agreements during this period. I think that this period means a couple of years. [passage indistinct] I now return to what I asked. I asked to bear in mind the real dimension of the blockade. If it affects the harvest of our agriculture it also affects our consumers in the Soviet Union. They behave illogically, destroying products which they can obtain from Lithuania. This, of course, is leading to tension, which is unfavorable for an agreement, too. [passage indistinct]

Another request that I made and that was listened too—and I hope that it will be taken into consideration—was to hold back some very zealous military leaders, so that they will not take by force Lithuanian youths who refuse to do military service. You know that in Armenia they did not register at all. So this view is rather widespread, but in Lithuania there should not be attempts to use force. The specific results of force would not be great, but politically they would be very bad, they would greatly harm the improved contacts and possibilities to seek agreement. In this case military men should not carry out politically harmful actions. [passage indistinct]

Roughly, this was the content of this conversation. [passage indistinct] It seemed to me that the mood was truly constructive and sincere. [passage indistinct] There was no wish to deceive or plot intrigues. [passage indistinct] We exchanged views, but there are no conclusions that I can describe and comment on. It will be necessary to think and discuss. [passage indistinct] I think that we will go where we are determined to go. Thank you for your attention.

'Declining' Lithuanian Economic Situation Detailed

LD1306231190 Vilnius International Service in Lithuanian 2100 GMT 13 Jun 90

[Text] So far nine enterprises are idling in Lithuania: three sugar refineries, the Mazeikiai oil refinery, the Kaunas artificial fiber works, the Kaunas and Klaipeda stocking factories, the Anyksciai felting factory Spartakas, and the Kedainiai chemical works. Because of the blockade, about 200 industrial enterprises reduced their production in May. Many people, including highly qualified experts, are without jobs. The republics's budget

experienced even greater losses. Inflation is increasing, and the living standard is declining.

Some most important goods—flour, groats, macaroni, sugar, salt, margarine, washing powder, and soap—are sold with coupons.

Today's government communique on the economic situation notes that a certain softening in the relations between Lithuania's economic departments and some corresponding Soviet Union services has been felt. But the continuing railway blockade prevents the implementation of many useful agreements.

Ministers, Enterprise Heads Discuss Economy

LD1206225790 Vilnius Domestic Service in Lithuanian 1900 GMT 12 Jun 90

[Text] Regular consultations with heads of industrial enterprises started today at the Council of Ministers. Such meetings are becoming essential during the transition of the economy from defending the nation in economic blockade to a new stage based on the maximum use of all resources, a closer integration into the Western market, and the increase of export products. During the meeting, brief reports were made by the minister of economics, Vytas Navickas; the minister of trade, Albertas Sinevicius; the minister of material resources, Romualdas Kozyrovicius; and deputy general director of the foreign economic relations department, Pagirys.

The most acute current problems became apparent in statements by heads of enterprises: the supply of raw materials and compensation in losing traditional links with the Soviet Union's [word indistinct], the present prices of products not corresponding with the increased production costs, and the slow adoption of new laws regulating economic life.

The meeting was chaired by the minister of industry, Rimvydas Jasinevicius. Deputy Prime Minister Romualdas Ozolas was present.

Lithuania Unaffected by Leningrad Power Reduction

LD1206223590 Vilnius Domestic Service in Lithuanian 1920 GMT 12 Jun 90

[Text] Yesterday the Lithuanian Power and Electrification Production Association received information from the USSR Central Control Service that the load of nuclear power stations in the USSR, where the reactors of the first generation RBMK-1000 are operating, has been reduced by 30 percent.

At present there are five such reactors in the USSR, one of them at the Leningrad nuclear power station of the northwestern power grid, which includes Lithuania.

This directive does not apply to the Ignalina nuclear power station because it has RBMK-1500 reactors. This was stated by the association's chief engineer, Algirdas Stumbras. But with the reduction of the load of one reactor by one-third, the capacity of the Leningrad nuclear power station declined by 300 megawatts. This quantity of power must be generated by other power stations using organic fuel.

Since Lithuania has reduced power consumption to a minimum, this limitation is of no significance to its requirements.

Lithuanian Party Loyal to CPSU Holds Congress

90UN2068A Moscow SOVETSKAYA KULTURA in Russian No 23, 9 Jun 90 p 2

[Report by SOVETSKAYA KULTURA correspondent E. Govorushko: "Without Pickets"]

[Text] Vilnius—The police cordon at the entrance to the Vilnius Party School building, where stage two of the 21st Lithuanian Communist Party (CPSU) Congress was being held, the chain of police officers additionally in front of the meeting hall, passes of various colors—for delegates, journalists, service personnel.... The impression gained earlier that this party is having to operate in the republic under conditions of some sort of isolation was confirmed.

According to data of the credentials commission, the party now has approximately 40,000 communists, 15 percent of whom are Lithuanians. This is a considerable number, it would seem, if account is taken of the moral and political pressure under which they have found themselves. And Lithuanian was heard more often in the lobbies—for many Russians, Poles, and Belorussians Lithuanian has become a second native language. True, everyone delivered his speech in Russian, Lithuanians included: They wanted to be understood in the republic and the country. For the first time the new Sovetskaya Litva radio station carried a direct relay of the congress, and it was also possible to overcome the artificial blockade in the press in which the Lithuanian Communist Party (CPSU) has found itself. But it is also true that no large hall capable of accommodating all delegates from the party, which is finding ever increasing support among the people, could be found in the republic for this congress. Involuntary assistance is being given to this increasing support by the opponents from "Sajudis" and the government it has formed, which have already brought the republic to a political and economic impasse....

A candidate's card was presented at the congress to young cultural officer Pyatras Ushkalnis, and he explained his decision to join the party at this difficult time for it this way:

"In spite of the opinion which is being spread in the republic, I am convinced that the CPSU is not the enemy of my people and that, as distinct from 'Sajudis,' which has begun to restructure statehood with a dismantling of

foundations, this party has a way which promises us and our children stability in the standard of living in a renewed federation."

The Lithuanian Communist Party (CPSU) has been able to recover from the shock caused by the split and offer its concept of the republic's independence. The party, as unequivocally stated in the congress documents, "advocates a socialist Lithuania independent of all forms of diktat and bureaucratic pressure, fully self-sufficient in the solution of its own republic problems and freely and voluntarily entering into a Soviet federation based on a renewed union treaty" and will champion the Lithuanian SSR [Soviet Socialist Republic] being granted special status within the framework of the federation.

The delegates to the 28th CPSU Congress were given instructions to make every effort to avoid a split in the CPSU.

...On this occasion no one even attempted to picket the congress and impede its work. It could have managed perfectly well without the police. It would seem that there really is a growing understanding in the republic of the constructive efforts of the Lithuanian Communist Party (CPSU).

Estonia Reviews Financing of All-Union Agencies

LD1306105790 Tallinn Domestic Service in Estonian 1700 GMT 12 Jun 90

[Text] The government of the republic of Estonia has proposed the Supreme Soviet review the expediency of financing the Glavlit, the security committee, the military commissariat, and the civil defense headquarters out of the state budget.

In 1990, the republic's state budget provides the Glavlit with R20.7 million, the security committee with R42.5 million, the military commissariat R117.3 million, the civil defense headquarters R1,378,400, and the VEKSA [Society for Promoting Friendship and Cultural Links with Estonians Living Abroad] R205,000. Based on the republican law on the foundations for temporary government in Estonia—according to which subordination of republican departments to USSR leading bodies will cease and be separated from the corresponding USSR systems—the government cannot support, through the republic's state budget, any additional funding of establishments subordinated to all-union departments.

Supreme Soviet, Committee Cooperation Viewed

LD1306110790 Tallinn Domestic Service in Estonian 1700 GMT 12 Jun 90

[Interview with Ulo Nugis, speaker of the Estonian Supreme Soviet by unidentified correspondent on 12 June; place of interviewed not given—recorded]

[Excerpt] [indistinct passage] [Nugis] The Supreme Soviet regrettably expresses its stance along lines to the effect that it cannot indeed recognize the Estonian Committee as a legislative body. But in all other issues, one would still like to see a continuing and increasing cooperation.

[Correspondent] Naturally, there will be more discussion on this in front of the plenary session of the Supreme Soviet?

[Nugis] Quite so. One has to say that this problem at the moment has been raised and stands, and for some reason there is reason to believe that the problem will not disappear completely until the time—during our transitional period—passes to the point that elections will have to be announced for the Riigikogu [parliament of Estonia]. It is possible that then our mutual understandings, or misunderstandings, will fall by the wayside. [passage omitted]

Estonian Pro-independence Groups Growing

LD1306103890 Moscow TASS in English 1013 GMT 13 Jun 90

[By TASS correspondent Albert Maloveryan]

[Text] Tallinn June 13 TASS—Pro-independence groups in Estonia are mushrooming and expressing their lack of confidence in the republic's parliament.

As is known, the first sparks were kindled by the Estonian parliament itself when it adopted last March a decree on Estonia's status. It actually abrogated the operation of laws of the USSR in the republic.

Then unconstitutional actions were taken by leaders of the Congress of Estonian Citizens when they vested their permanent body, the Estonian Committee, with legislative functions.

Another group linked to the Congress of Estonian Citizens, the Estonian Conservative Popular Party, recently stated its views on the ways of "the restoration of constitutional bodies of power."

The leaders of this self-proclaimed party believe that the republican Supreme Soviet as a whole and the republic's government are not lawful entities, even though cooperation with them in certain limits during the so-called period of transition is deemed expedient. True, "conservatives" are of the opinion that the parliament's competence should be limited to "normalisation of citizens' life" and should not extend to problems of Estonia's statehood.

Extremists Desecrate War Memorial in Estonia

LD1306224690 Moscow TASS in English 2218 GMT 13 Jun 90

[By TASS correspondents Albert Maloveryan and Aleksandr Kharchenko]

[Text] Tallinn June 14 TASS—Estonian extremists desecrated a World War II memorial to Soviet soldiers near the town of Tapa on June 11. They drew a cross, swastica signs and nationalistic inscriptions on it in a dark-blue paint, World War II participant retired Major-General Nikolay Aksinin told a session of the Estonian parliament on Wednesday.

Speaking on behalf of deputies representing the groups "For Equal Rights", "Virumaa" and the communist fraction, he expressed concern about an increase of vandalism against memorials to Soviet soldiers who died during Estonia's liberation from the Nazi occupiers.

The Tapa incident was unanimously condemned by most deputies. "Such incidents are a natural continuation of the official policy to eliminate the monuments of the unsuitable past that we approved until recently. Now, we are suffering from the consequences of this policy," Deputy Arvo Sirendi said.

However, most deputies denied Aksinin's fears that these acts of vandalism and an international meeting of Estonian World War II veterans to be held under the slogan "In memory of those who died for the Estonian republic" in Piarnu in July were links in one chain and were signs of reviving fascism in Estonian society.

However, the fears of deputies of the above-mentioned groups can easily be explained. Residents of some areas in Belorussia, the Ukraine and Russia still remember the atrocities committed by the Estonian 20th SS division and police squads during World War II.

Latvian Leader Views 'Lessons of Lithuania'

LD1406102190 Moscow World Service in Russian 1030 GMT 14 Jun 90

[Text] In the process toward independence, we are taking into account the lessons of Lithuania and do not wish to take things to the same complications, said Anatoliy Gorbunov, chairman of the Latvian Supreme Soviet, in an interview with an INTERFAX correspondent. According to him, it is a question, first and foremost, of relations with the center, and about relations with those citizens of the republic who oppose the decision on Latvian statehood.

Anatoliy Gorbunov noted that approximately 20 percent of the Russian-speaking population of the republic oppose the restoration of independence.

RSFSR

14 June Supreme Soviet Proceedings Reported

LD1406064490 Moscow TASS in English 0638 GMT 14 Jun 90

[By TASS parliamentary correspondents Lev Aksenov and Dmitriy Polunin]

[Text] Moscow June 14 TASS—The first session of the Supreme Soviet of the Russian Federation continues its work here today. The members of the parliament's two chambers—the Council of Republic and the Council of Nationalities—at their separate meetings are discussing the formation of standing commissions and committees.

On Wednesday, on the first day of the session, the members of parliament elected the leaders of parliament chambers. Vladimir Isakov, a lawyer from Sverdlovsk, was elected on an alternative basis the chairman of the Council of the Republic.

Ramazan Abdulatipov, from Daghestan, northern Caucases, a party worker, doctor of science (philosophy), was elected to head the Council of Nationalities.

The Russian parliament will begin to discuss one of major items on the agenda—candidacies for the post of the chairman of the Council of Ministers of the Russian Federation—on Thursday afternoon.

Moscow TV Relays 13 June Supreme Soviet Session

LD1306210490

[Editorial Report] Moscow Television Service in Russian at 1908 GMT on 13 June begins carrying recorded reportage of the proceedings of the Russian Soviet Federated Socialist Republic (RSFSR) Supreme Soviet in the Kremlin in Moscow on 13 June. The Soviet of the Republic and the Soviet of Nationalities are meeting in separate sessions.

The Soviet of the Republic session opens with Yeltsin congratulating members of the RSFSR Supreme Soviet on their election to this body. This is the first time the Russian parliament has operated in its present form, he says.

At 1910 GMT Yeltsin says that after the election of chairman and deputy chairman of the Soviet of the Republic there will be an interval for the new leadership to confer with deputies. Yeltsin says he had a meeting with Gorbachev yesterday and that they shook hands and agreed to work together "on a mutual, businesslike basis." At the Council of the Federation meeting yesterday most of those present spoke about the need to form a union of sovereign states. This is an inevitable process in the democratization of our country, Yeltsin says.

At 1917 GMT an announcer presents excerpts from the session. He points out that a new electronic voting system was tested today. Deputy A.N. Adrov is then interviewed in the foyer on his opinion of the electronic voting system.

At 1921 GMT the announcer lists those mentioned for the post of chairman of the Soviet of the Republic.

At 1922 GMT during an interval a correspondent interviews unidentified members of the Soviet of the Republic about who they would choose as their chairman.

At 1926 GMT Vladimir Isakov is elected chairman of Soviet of the Republic. He walks to the rostrum and is congratulated by Yeltsin.

At 1927 GMT Aleksandr Veshnyakov is elected deputy chairman of the Soviet of the Republic.

at 1928 GMT a correspondent introduces Ivashko and Veshnyakov following their election. He asks Ivashko about how comfortable he likes his chairs in the hall! Ivashko talks about the tasks facing the new Soviet in the present tough economic situation. The correspondent then goes on to interview Veshnyakov about his functions.

At 1931 GMT it is announced that the RSFSR Supreme Soviet will continue tomorrow.

At 1931 GMT reportage from RSFSR Supreme Soviet of Nationalities begins. Deputies debate the voting system. Seven candidates are nominated for chairman. Video shows brief shots of various candidates speaking from the rostrum.

At 1933 GMT a correspondent interviews Deputy Gleb Yakunin in the foyer on his view of the interethnic conflicts in the country and how they should be solved. People must have their own cultures and religions and deputies must solve these problems themselves, he says.

At 1934 GMT deputies discuss the formation of commissions.

At 1936 GMT Ramazan Adbulatipov is elected chairman of RSFSR Soviet of Nationalities. He is congratulated by Yeltsin and the deputies.

At 1937 GMT a correspondent congratulates Abudlatipov on his election in an interview in the foyer and the latter talks about some of the tasks facing him in his new post. He stresses the importance of the development of the smaller nationalities in the republic and Russians living in other republics, plus the problem of refugees. We should think less about our own political ambitions and more about building a "common Russian home", he says.

At 1940 GMT a correspondent in the foyer interviews A.V. Anikeyev, RSFSR first deputy minister of internal affairs, on interethnic problems in general and his view of the newly elected officials.

At 1944 GMT the recorded reportage of the first days proceedings at the RSFSR Supreme Soviet ends with two deputy chairmen being elected; they are not named. The presenter announces that the session will continue tomorrow.

Yeltsin Addresses Soviet of the Republic

LD1306233790 Moscow Television Service in Russian 1908 GMT 13 Jun 90

[Opening address by Boris Yeltsin, chairman of the RSFSR Supreme Soviet, at the first session of the RSFSR Soviet of the Republic session in the Kremlin in Moscow on 13 June—recorded]

[Text] Esteemed people's deputies of the Russian Soviet Federated Socialist Republic [RSFSR], members of the Supreme Soviet, members of the Soviet of the Republic of the RSFSR Supreme Soviet, I should first like to congratulate you on your election to the Supreme Soviet. We are all faced by work that will be difficult, complex, very full, I would say, and new for the majority of us both in its content and nature. We will simultaneously have to learn and work as we go along. We will probably organize some special courses to enhance our parliamentary professionalism and learn all this parliamentary art, since it is the first time we have had a parliament in this form on a permament basis apart from the Union parliament. Therefore we do not have sufficient experience and everyone will indeed have to learn so that we can work more efficiently.

So on behalf of the Supreme Soviet leadership I congratulate you on your election. [applause]

At today's sitting of the Soviet of the Republic of the Supreme Soviet we are due to consider the following questions: the election of the chairman of the Soviet of the Republic of the RSFSR Supreme Soviet and the election of the deputy chairman. Then there will be an interval for the new leadership of the Soviet of the Republic to confer with groups, people's deputies, and probably with the Supreme Soviet leadership to form the chambers—commissions and committees. The Soviet of the Republic is due to take a decision on the commissions today, and we will give a decision on the committees and approve it today too. [unidentified man seated alongside Yeltsin remarks: "No, not today."] You are right, we will only be giving recommendations and making our proposals.

Today's matters will be considered in separate sittings, and tomorrow there will be a joint sitting which will settle very diverse matters including the election of the chairman of the RSFSR Council of Ministers.

For your information I will tell you that there was a USSR Council of the Federation session yesterday. The declaration on the state sovereignty of the RSFSR that was adopted by us yesterday was received in the right way in principle and in practice the majority of republics or states are now saying that they will direct their attention to our declaration. Although it is fairly bold and revolutionary in character and looks to the future, it did not evoke any particular censure, even from the president, as I understood it.

I did have a meeting with him—with President Mikhail Sergeyevich Gorbachev. We walked toward each other, held out our hands to each other and said that we will work only on a mutual businesslike basis, cooperating together, because Russia cannot exist without the country nor the country without Russia. [applause]

I consider—and, well, Mikhail Sergeyevich considers too—that the first serious step has been taken. The second step will be discussion of some specific issues regarding all our affairs, the affairs of the state, perhaps we will gradually get accustomed to this term, because yesterday during the discussion in the Council of the Federation the majority advocated, as I did too, and the president agreed, that we need most of all to embark on a union of states, sovereign states. This means that regardless of the differences in social development between states, the various historic origins and the various climatic, territorial, and population differences, and so on and so forth, it seems that in its relationship with the center each state will determine what proportion or level of functions it will hand over to the center and what proportion it will retain itself. This formula of ours, the fifth point, or rather the fifth article of the declaration, was indeed accepted by absolutely everyone—and yet we were concerned about it.

In this event each state will determine its place along a path ranging all the way from a federation to a confederation. Do not be afraid of these terms federation or confederation. Do not be afraid of them. They are just terms. The level of independence will be determined, so to speak, by each one of the sovereign states that will belong to the Union on the basis of a Union treaty. In places it will be a process differentiated between a federation and a confederation. There is also no need to fear or to be afraid of this. It is a process that includes democratization, a political process; on the basis of the fact that the people in our country are very politicized now, and the politicization is mounting, it is also an inevitable process and indeed a reform of the state set-up of our Union.

Taking account of the adopted declaration and the general wish of the First RSFSR Congress of People's Deputies I stated the first congress was of a firm frame of mind, and, as laid down in the declaration on state sovereignty, that we do not imagine ourselves as other than forming a part of the union. [applause] Well, one might say more accurately a revitalized Union, precisely that, a revitalized Union.

In this, I was carrying out your wishes, recommendations, and so on. In general I personally felt that otherwise it would be difficult for us to work, if we did not seek this mutual understanding.

Reportage on First Session of Supreme Soviet

LD1306174290 Moscow TASS in English 1704 GMT 13 Jun 90

[By TASS parliamentary correspondents Lev Aksenov and Dmitry Polunin]

[Text] Moscow June 13 TASS—The first session of the Russian Federation Supreme Soviet, elected at the First Congress of People's Deputies of Russia, opened here today.

The Council of the Republic and the Council of Nationalities held separate meetings to elect their heads by a secret ballot.

Vladimir Isakov, a lawyer from Sverdlovsk (Southern Urals), beat three other contenders to become the chairman of the Council of the Republic. Aleksandr Veshnyakov, a party official from Arkhangelsk (Northern Russia), was elected his deputy.

While the head of the Council of the Republic was elected rather quickly at the morning session of the chamber, the Council of Nationalities needed a whole day for the same process. As a result People's Deputy Ramazan Abdulatipov, from Dagestan, won the vote. Colonel General Dmitry Volkogonov, a well known historian, became his deputy.

Asked by TASS to comment on the role of the Council of the Republic and its chairman, Isakov said that the work of the chamber and the entire Supreme Soviet must "lead us towards establishing a rule-of-law state, because reliable legal foundations in Russia will undoubtedly contribute to reliable legal foundations of the union."

Abdulatipov, who holds a doctor's degree in philosophy, told TASS that he intends to implement his theoretical elaborations in the field of nationalities policy. He named among the top priority problems, which should be tackled, those of "survival of ethnic minorities" and restoring justice towards peoples that suffered from repressions.

In the second half of the day the Council of the Republic began discussing formation of commissions and committees of the parliament. People's deputies stressed that in current conditions developing and extending economic reform acquires special significance. Some members of the council believe that the decision of the Congress of People's Deputies allowing members of the Russian Federation Supreme Soviet to combine parliamentary activity with main work can hamper the effective performance of permanent commissions and committees. Some of the deputies believe that difficulties can arise here due to a relatively small size of the parliament (both chambers have 252 people).

Tomorrow the first session of the parliament will continue its work. It is expected that members of the Supreme Soviet will consider appointing [the] head of the Russian Federation Government.

Council Chairman Elected

LD1306155590

[Editorial report] Moscow Domestic Service in Russian at 1330 GMT on 13 June broadcasts a report by Vladimir Korablev and Yuriy Korotkov on the 13 June RSFSR (Russian Soviet Federated Socialist Republic) Supreme Soviet session in Moscow. They report that during this morning's separate sittings of the chambers, the question of electing chairmen of the chambers and their deputies was raised. The Soviet of the Republic's new chairman is 40-year-old Vladimir Borisovich Isakov, professor of Sverdlovsk Law Institute. He beat three other candidates, who are not identified.

His deputy is Aleksandr Albertovich Vishnyakov, secretary of Archangel city party committee. He is 37 years of age and he also beat three other candidates, again not identified.

After an interval, members of the Soviet of the Republic began to deal with the question of setting up standing committees and commisions of the RSFSR Supreme Soviet. The initial draft decision on this stipulates that there will be more than 20 such bodies. The question is still under discussion. The question wll be settled finally tomorrow during the joint sitting of both chambers.

The Soviet of Nationalities of the RSFSR Supreme Soviet is outlined next. The main result of today's sitting is the fact that it has a chairman. Ramazan Gadzhimuradovich Abdulatipov, deputy from Dagestan, head of a sector of a CPSU Central Committee, a 44-year-old professor, has been elected speaker. He got 72 votes during the second round of voting—much more than half. He beat Deputy Mikitayev from Kabardino-Balkaria, Mukhomadiyev from Tataria, Kornilova from Yakutia and Picherov from Tula.

The deputies are now discussing candidates for the post of deputy chairman of the Chamber of Nationalities. The Constitution says only one can be elected, but Abdulatipov suggests that two are elected—this requires relevant amendment to the Russian Federation Constitution. This will evidently be done during the next sitting of the Congress of People's Deputies. For the time being one will be elected: four candidacies have been put forward: Deputies Volkogonov, Kornilova, Saravatko, and Shakhray. The results of this vote will be announced in 20-30 minutes. The question of setting up standing commissions of the Soviet of Nationalities and committees of the Russian Federation's Supreme Soviet is to be discussed tomorrow.

Yeltsin on Aims of RSFSR Supreme Soviet

LD1306134390 Moscow Television Service in Russian 1200 GMT 13 Jun 90

[From the "Television News Service" program]

[Text] As is known, the first congress of parliamentarians of Russia has taken time off until 16 June. Before that, the new Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet membership was elected.

Here is a topical interview of the Television News Service.

[Begin recording] [Correspondent Dmitriy Kiselev] Boris Nikolayevich, how do you assess this membership with whom you will have to work.

[Yeltsin] (?The fact that) they were not elected immediately indicates the people's deputies took a very responsible attitude toward this. Today I shall not take it upon myself to somehow assess the Supreme Soviet as a whole. It should be assessed by deeds, but I shall at least try very hard to see the Supreme Soviet consolidates itself. That process already has started. I think it will continue.

[Kiselev] Consolidates itself with what aims?

[Yeltsin] Those aims for which the Supreme Soviet is elected, in order to work for a better life for the people, and naturally to carry out lawmaking activity—not only to adopt laws, but to correct, let us say, the mistakes the union Supreme Soviet is, unfortunately, making, and to monitor fulfillment of these laws. This is one of the most important aims.

[Kiselev] Thank you. [end recording]

Text of Sovereignty Declaration Published

PM1306214790 Moscow SOVETSKAYA ROSSIYA in Russian 14 Jun 90 First Edition p 1

[Unattributed article: "Declaration on the State Sovereignty of the Russian Soviet Federated Socialist Republic Adopted by the First Congress of RSFSR People's Deputies"]

[Text] The First Congress of RSFSR [Russian Soviet Federated Socialist Republic] People's Deputies,

conscious of its historic responsibility for the fate of Russia,

attesting to its respect for the sovereign rights of all peoples that make up the USSR,

and expressing the will of the peoples of the RSFSR,

solemnly proclaims the state sovereignty of the RSFSR throughout its territory and states its determination to create a democratic rule-of-law state within a renewed USSR.

1. The RSFSR is a sovereign state created by the peoples historically united within it.

2. The sovereignty of the RSFSR constitutes the natural and necessary condition for the existence of the statehood of Russia with its centuries-old history, culture, and traditions.

3. The RSFSR's multiethnic people are the repository of sovereignty and are the source of state power in the

RSFSR. The people exercise state power directly and via representative organs on the basis of the RSFSR Constitution.

4. The state sovereignty of the RSFSR is proclaimed for the most lofty purposes—of guaranteeing the inalienable right of every person to a worthy life, free development, and use of his native language and of every people to self-determination in their chosen national-state and national-cultural forms.

5. In order to safeguard the political, economic, and legal guarantees of RSFSR sovereignty the following are established:

complete authority for the RSFSR in resolving all questions relating to state and public life with the exception of those which it voluntarily hands over to USSR jurisdiction;

the primacy of the RSFSR Constitution and RSFSR laws throughout the territory of the RSFSR; on its territory the republic suspends the operation of USSR acts that contravene RSFSR sovereign rights. Differences between the republic and the Union are resolved according to the procedure established by the Union treaty;

the people's sole right to own, use, and dispose of Russia's national wealth;

RSFSR plenipotentiary representation in other Union republics and foreign countries;

the republic's right to participate in exercising the powers which its hands over to the USSR.

6. The RSFSR unites with other republics within the Union on the basis of the treaty. The RSFSR recognizes and respects the sovereign rights of the Union republics and the USSR.

7. The RSFSR reserves the right to freely leave the USSR according to the procedure established by and the legislation based on the Union treaty.

8. The territory of the RSFSR cannot be changed without the will of the people as expressed by means of a referendum.

9. The Congress of RSFSR People's Deputies confirms the need to substantially broaden the rights of autonomous republics, autonomous oblasts, autonomous okrugs, along with RSFSR krays and oblasts. Specific questions relating to the implementation of these rights must be determined by RSFSR legislation on the national-state and administrative-territorial system of the federation.

10. All citizens and persons without citizenship resident on the territory of the RSFSR are guaranteed the rights and freedoms envisaged by the RSFSR Constitution, the USSR Constitution, and universally recognized norms of international law.

Representatives of nations and ethnic groups resident in the RSFSR outside their national-state formations or without such formations on the territory of the RSFSR are guaranteed their legitimate political, economic, ethnic, and cultural rights.

11. Republic citizenship of the RSFSR is established throughout RSFSR territory. Every citizen of the RSFSR retains citizenship of the USSR.

Citizens of the RSFSR outside the republic are under the protection and patronage of the RSFSR.

12. The RSFSR guarantees all citizens, political parties, public organizations, mass movements, and religious organizations operating within the framework of the RSFSR Constitution equal legal opportunities to participate in the management of state and public affairs.

13. Separation of the legislative, executive, and judicial powers is the most important principle in the functioning of the RSFSR as a rule-of-law state.

14. The RSFSR states its adherence to the universally recognized principles of international law and its readiness to live with all countries and peoples in peace and concord and to take all steps to prevent confrontation in international, interrepublican, and interethnic relations while upholding the interests of Russia's peoples.

15. The present declaration constitutes the basis for the elaboration of a new RSFSR Constitution, the conclusion of a Union treaty, and the perfecting of republic legislation.

Yeltsin Rivalry With 'Center' Examined

PM1206113490 Moscow KOMSOMOLSKAYA PRAVDA in Russian 12 Jun 90 p 1

[Article by KOMSOMOLSKAYA PRAVDA observer Pavel Voshchanov: "When There Is No Consensus Among Comrades..."]

[Text] Many people are asking: What has happened in Russia? Only a few days ago it was difficult to give an unequivocal answer to that question. The turbulent perestroyka processes have in general slightly dulled our perception of all kinds of events and cataclysms. All the same, today it is becoming increasingly apparent that something unusual in our political life has happened. A parliamentary revolution has taken place. Perhaps the first in Russian history. The deputies still have to resolve many problems, but I think they have fulfilled the main task—they have formed a fundamentally new administration. This is a turning point toward democracy (and not only Russian democracy), if only because for the first time people have come to power who either are not associated with the former system of totalitarian leadership, or else broke with it resolutely at an earlier stage. The key figure among them is Boris Yeltsin, a politician well known for his uncompromisingness but, as the events of recent days have shown, sufficiently flexible

and capable of reconciling apparently incompatible things—diversity of opinion and consolidation.

What made it possible for him to come to the leadership of Russia? The activeness of his supporters, indisputably. But all the same, it must not be forgotten that no more than one-third of all the deputies' seats belong to these supporters. So were there other factors too? Undoubtedly. The present Russian parliament can be divided tentatively into three deputies' factions: supporters of radical transformations, supporters of cosmetic modernizations, and, finally, a large group of deputies who defend narrow professional or national interests, but do not yet have a particularly clearly defined political orientation. Yeltsin managed to bring over to his side the supporters of this third faction, and that was what made his victory a reality. But the question arises: How did he win their confidence? After all, we ourselves have on more than one occasion seen how aggressively and implacably minded many deputies are. So what was the reason? I think at least two factors can be identified. First—Yeltsin's support for the idea of Russian sovereignty. Second—his consent, in the event of election, to hand over a number of key posts in the new administration to representatives of national autonomous formations.

All the same, there are also another two reasons for Yeltsin's success, albeit only indirectly associated with Yeltsin himself, but working for his victory in parliament.

The first is the active unwillingness of the center to see him in the post of head of the Russian state. A program in which Yeltsin is to participate, after being announced in the all-union television schedule, is "suddenly" taken off the air. Its transmission on Leningrad television, for Moscow and other regions, turns unexpectedly into a performance by a popular singer. And there are, alas, many such patently unparliamentary examples, which can only cause perplexity and annoyance among ordinary voters. Nor could the CPSU Central Committee general secretary conceal his annoyance when he called on communist deputies, hastily assembled for a special conference, to make a different choice. To crown it all, a wave of rumors and anonymous letters swept through the Russian parliament, "revealing" certain details of the personal life of the leader of "Democratic Russia." And what was the result? A purely Russian law of political combat came into play: An excessively energetic action produces an equally energetic reaction. Pressure from above evoked the opposite reaction—the desire to support Yeltsin.

The second reason is the facelessness of Russia's former leadership. Hitherto, only dignitaries of the top state and party organs have become head of the republic. For them, Russia's interests were almost always secondary, giving way in priority to so-called "unionwide interests," or in practice the interests of the administrative-bureaucratic elite. As a result the republic was reduced to a state of profound socioeconomic crisis. The majority of the new deputies recognize this sad fact for all of us, and are passionately seeking a way out of the situation before the position reaches crisis point. Therefore many parliamentarians see Yeltsin as a real alternative to the flawed existing system.

All the same, the factors that brought about the changes in Russia are not the most important thing. Something else is of greater concern: how viable and stable the new Russian powers will be. It must be borne in mind that Yeltsin is today head of a parliament where the right and left wings are totally balanced. And so he has only one option—to create a coalition of forces that value the idea of radicalization of reforms. This coalition began to form at the meeting of all the parliamentary blocs seeking consensus in resolving the question of cadre appointments. But that is only a beginning. The coalition is still weak, even illusory, and that is why the formation of the Supreme Soviet leadership is proving so excruciatingly difficult. But I think it will undergo its main trial of strength in the discussion of the Declaration on Russia's Sovereignty. A few days ago only three deputies voted against its adoption. But this is only the semblance of consolidation, its starting point. I am sure that in the course of discussion it will turn out that deputies interpret sovereignty in different ways. For some the adoption of the republic's state anthem is sufficient, others demand more—economic and political independence. The range of opinions and interests is, as we can see, great, and everything will depend on whether it is possible to find a united decision and whether the head of parliament manages to persuade his colleagues of the need to adopt such a decision.

Many people are today worried about this question: If the idea of Russian sovereignty becomes a reality, how will the center react? Will M.S. Gorbachev reconcile himself to the role of "president without territory"? I foresee serious difficulties in this area. And of course, it is not a matter of the personal relationship between the union and republic leaders. It is a question of their different approaches to the structure of a union state. Whereas Gorbachev is a supporter of the idea "strong center—strong republics," Yeltsin sees it, so to speak, the other way around.

What can be expected in future if the contradictions between the center and a sovereign Russia reach extremes? And this is, alas, highly likely, and is confirmed by recent remarks by many union leaders both at home and abroad. Of course, an economic blockade of Russia, on the Lithuanian pattern, is inconceivable. So what then? Intervention by the army? A number of foreign news agencies have recently been pointing to the realistic nature of such a prediction. It seems to me that this option cannot be entirely ruled out, especially if the new Russian leadership is not able sufficiently quickly to stabilize the economic situation in the republic and events (especially in working-class regions) take on an unpredictable nature. All the same, I think the center will gamble mainly on the disintegration of the emerging

coalition in the Russian parliament. Everything will depend on how stable this coalition proves.

The coalition's durability is, I think, Yeltsin's main concern for the next year or two. But apparently not his only concern. The attitude of the union republics to the idea of Russian sovereignty will cause no less anxiety. It is already mixed: Whereas in the Baltic region it is seen as an opportunity to give a new look to alliance relationships, in the Central Asian republics a number of leaders assess this as an attempt to "break up the Soviet state" and a course of "exacerbating interethnic contradictions." This lever will probably be used by conservative circles in the center even more actively than the anticoalition lever. And I think it is much more dangerous.

What is the solution for the center and Russia? I am convinced that there is only one solution—it is necessary to accelerate and radicalize perestroyka in all spheres, and to this end to formulate a new model of perestroyka founded on the switch to a system of parliamentary democracy. This must be aimed at building sovereign republics with a highly efficient economy oriented toward people. Russia's problems, like the whole country's problems, can be resolved only on the basis of a policy of profound reforms—consistent, radical, and uncompromising. Without them there will be no future for Russia or for the whole country.

Opposition Official on 'Gorbachev-Yeltsin Duel'

AU1206153890 Budapest MAGYAR NEMZET in Hungarian 2 Jun 90 p 6

[Interview with Oleg Rumyantsev, member of the leadership of the Association for A Democratic Russia, by Gabor Lambert; place and date not given: "The Gorbachev-Yeltsin Duel"]

[Excerpts] Oleg Rumyantsev gave this interview one day after the election of Boris Yeltsin as chairman of the RSFSR parliament. Oleg Rumyantsev is one of the noteworthy representatives of the new Russian political guard.

[Lambert] At the beginning of the congress, the Association for a Democratic Russia could only count on the support of about one-third of the deputies. What factors led to the result in which your faction's presidential candidate, Boris Yeltsin, obtained the absolute majority of the votes?

[Rumyantsev] Although we were only putting out feelers in the Kremlin Hall in the first days and we were unaware of the real balance of forces, we nevertheless knew that the situation had changed in our society and the people had "woken up." The events in Eastern Europe also showed the direction of historical processes.

From the beginning, we thought that, if the congress accepted our political logic as opposed to the election logic, we would be able to win the presidency. In other words, we must determine the political forces first, before electing the leaders. The other breakthrough came when—with great difficulty—we succeeded in making the deputies accept Yetlsin's speech on the issue of sovereignty. After his speech, the deputies discussed the proposals submitted by him. Thus, our platform found allies, because, no matter how strong the anti-intellectual and anti-Moscow atmosphere was at the beginning of the congress, the deputies listened to the arguments and the well-prepared programs. The apparatus came up with the dogma, the appeals, and the abuses, and we came up with logic arguments.

The fact that Gorbachev fell into a trap also greatly contributed to the developments: As the leader of restructuring, Gorbachev failed in preparing a worthy governor of Russia. He got used to thinking in the first person, and he did not shape a worthy follower. [passage omitted]

[Lambert] What will the relations between Yeltsin and Gorbachev be in the future?

[Rumyantsev] This is a duel between two great politicians. Unfortunately, Gorbachev got used to regarding himself as the initiator of restructuring and the only person who implements it. Unfortunately, his idea about his own role has overwhelmed him.

Gorbachev is not ready to accept a situation in which he will no longer stand alone in the forefront. Yeltsin is also there, as well as Popov, and in the long run, also Afanasyev whom we should prepare as a candidate for the presidential elections. Instead of compromises and cooperation, and instead of strengthening the forerunners of restructuring by having three or four people at the top, Gorbachev is falling into a panic now and missing a historic chance. If he made use of this chance, he would receive the support of the left-wing, something he does not enjoy today. [passage omitted]

[Lambert] There are various interpretations of the idea of sovereignty in the Soviet Union today. What does the Association for a Democratic Russia understand by sovereignty?

[Rumyantsev] We are talking of a state sovereignty, and not of a political or economic one. This sovereignty has three factors: the precedence of the Constitution and the laws of the republic; independent representation in foreign and domestic relations; an independent constitutional court. Our laws should be more firm than those of the federation. This is not exactly the Lithuanian way. However, with the declaration of the Russian sovereignty, the entire former empire system will collapse, just like the dictates of the federal authorities, the Constitution, and the parliament. The declaration of sovereignty must not remain on paper but should become the basis of the new Constitution. We need a new federation model, and if Gorbachev has not yet decided on this, on the contrary, the withdrawal law of April 1990 is the attempt of the apparatus to preserve the former empire model, then, in direct conflict with these laws, we are now trying to destroy this model. At the same time, we want to

remain within the framework of the federation, and we do not want to destroy the supply, transportation, and other infrastructure.

[Lambert] What if Lithuania nevertheless wants to secede?

[Rumyantsev] We will propose a direct agreement between Lithuania and Russia to start solving the constitutional crisis. It is the task of the central government to react to all this.

RSFSR Coalition Possibility Discussed

90UN2067A Moscow SOVETSKAYA KULTURA in Russian No 23, 9 Jun 90 p 9

[Text] *Our time is a time of emergence of new political forces. The Congress of People's Deputies of Russia is already directly raising the issue of a coalition. However, what is a coalition under our circumstances? Thus...*

USSR People's Deputy Aleksandr Krayko

When they talk about a coalition now this question immediately occurs to me: A coalition with whom?

The emerging political parties are still weak. Democratic movements are poorly organized. The victory of the "Democratic Russia" bloc in Moscow, to my mind, testifies to the absence of a strong alternative rather than the presence of a serious and constructive program of democrats.

A coalition with conservatives or, say, the United Front of Workers? Somehow, I cannot quite imagine what kind of a coalition there can be with those who objectively come out against reforming our economic and political system.

The Russian congress was compelled to start talking about a coalition when it turned out that on a number of issues the votes of the deputies are divided virtually evenly. This occurs despite the "Democratic Russia" bloc holding about 25 percent of the seats. It would appear that the conditions are most favorable for a coalition, but I am afraid that this is a deceptive feeling because the "fifty-fifty" ratio emerged on the basis of confrontation rather than coalition.

Of course, consolidation is better than confrontation. However, we can hardly count at present on a strong and long-term coalition if forces belonging to it have no firm foundation and popular support. For now, the weightiest mandate has been given to the Union Congress of People's Deputies and the USSR Supreme Soviet. If we consider some coalition at this level, it should be something in the nature of a left-center movement. We do not lack extremes; it is responsibility that we lack.

In all countries, parliaments which form governments are responsible for the work of these governments. We formed our government as little as 10 months ago and, in essence, are demanding that it retire without letting it work (because 10 months is not a whole lot of time). As one deputy rightfully observed, in this case it should be logical for the Supreme Soviet to resign as well. Fortunately neither proposal has passed yet. However, the Supreme Soviet should not only hold the government accountable for miscalculations but should also support it.

The creation of coalitions in order to counterbalance new structures of power, including Union structures, which have just begun to accumulate experience, is the greatest danger that threatens us at present.

USSR People's Deputy Aleksey Yemelyanov

To me, the notion of "coalition" is akin to that of "cooperation." Peasants should first perceive themselves as sovereign masters and be aware of their power and the opportunity for cooperation to become a serious endeavor... A sound and viable cooperative may only work when they understand that it is profitable for them to unite and pool some property, or capital, or land, on a cooperative basis.

It is the same with a coalition. A coalition may exist when there are different, clearly distinct political or social forces.

Both a dialogue and a compromise are possible if they have their own features and their own position. Their interests and views regarding specific events may differ, but they will arrive at a coalition sooner or later if they work for a common cause, and truly want to work for it rather than just talk.

Quite recently it made no sense in our country to talk about a coalition because only hollow unity and uniformity of thought prevailed. Coalitions are an unavoidable companion of democracy. The issue of a coalition government will definitely be put on the agenda from time to time if the processes of democratization continue in our country and there is no rolling back. How else can it be, given that we have proclaimed plurality of opinions and a multiparty system?

As I see it, the congress has split into supporters of the old administrative-command system with the party monopoly on power and supporters of a democratic system with a market economy, a multiparty system, and so on. This is where the watershed is...

This is a political reality, and we should take this into account. It is no longer possible to make everyone fit the same mold or give the people orders concerning how they should think or vote.

RSFSR [Russian Soviet Federated Socialist Republic] People's Deputy Sergey Yushenkov

Undoubtedly it is the current Russian congress that has led us to discuss coalitions. The congress has split, and we have come to feel that we cannot do without a coalition of various political forces. However, are we ready for a coalition, is it possible at present?

As I see it, a coalition is possible. For example, what does the "Democratic Russia" bloc represent? Actually it is already a coalition of various political forces. Within the framework of this coalition the Christian Democrats get along quite normally with the Social Democrats. There are communists, Cadets [Constitutional Democrats], the Democratic Party of Travkin, and representatives of the Democratic Platform, that is to say, the broadest political spectrum. All of these political groups have come together on the basis of fundamental democratic values, and congealed into a coalition.

The opposition of the two largest blocs of deputies, "Democratic Russia" and "Communists of Russia," which has come to exist at the Russian congress, may develop along two avenues—either that of confrontation or that of a dialogue. If the congress takes the latter avenue we will definitely arrive at the idea of a broad coalition.

There are certain prerequisites and hopes for such an avenue because conciliation commissions of these two blocs are being created and continuous negotiations are under way. To be sure, this is a new, more complex level of coalition.

Once again, how realistic is a coalition of the radicals and the conservatives at present? As I see it, it is also realistic. There is a foundation for this.

Everyone is dissatisfied with the state of affairs, and everyone wants changes. Methods and objectives are the only issue.

However, there are serious obstacles too. For the most part it is awareness that is not ready. Many deputies are fond of teaching others about concessions but their own readiness evaporates when it comes to making them.

USSR People's Deputy Igor Gryazin

Time is needed primarily for the formation of a coalition, especially under a new parliamentary system: In theory, all of us know how coalitions are formed, but a natural growth process is necessary for them to become a reality. At present there are perhaps close to 100 different parties in Russia. In our republic, in Estonia, there are several dozen of them, in other words no fewer per capita than in Russia. Any coalition on the basis of so many parties is impossible in principle: These numerous and often small parties should first form more powerful (which is not to say homogeneous) blocs by outlining the main, key issues on which there are no differences in principle between them. After all, coalitions are always formed on the basis of participants in them giving something up in the name of the main goal.

In Russia the emergence of new political forces and parties began somewhat later than in Estonia, but I believe that the basis for a coalition already exists. I would not view the fact that the first RSFSR Congress of People's Deputies "split" down the middle when it came to forming the organs of power a serious obstacle on the path to a future coalition. First of all, it is quite possible that due precisely to this split the process will develop faster, at first within each "half," and subsequently between them. After all, coalitions do not develop when the going is smooth but grow out of political struggle and political necessity. A clash of interests, the sharpness of positions, differences in opinion even within the future coalition—all of these will be present for a long time to come in our political life, and will make it complicated. We need to go through this childhood disease.

This is how we should elect a president every four years in order to create well-tuned democratic mechanisms, but even for hundreds rather than dozens of years; a coalition capable of functioning should be formed annually over many decades.

RSFSR People's Deputy Sergey Shakhray

I believe that it is premature to talk about a coalition at present. For example, at our Russian congress only "Democratic Russia" out of all the political groups in existence made its presence known clearly and precisely by means of a proper program and platform. Another force, which is no smaller in terms of numbers and not at all less influential, the "Communists of Russia" deputy bloc, has not been conceptually established. What kind of coalition can there be with something vacillating and indefinite?

Experience shows that as a rule a neutral political force, even if small in terms of numbers, but independent of the political poles, turns out to be quite influential. This is why many deputies who hold centrist positions and desire to pursue an independent policy are creating the Independent Group of Deputies at present. I believe that the progress of many resolutions will hinge on the votes of this group.

This is a normal phenomenon and, as I see it, exactly a step toward a real coalition.

However, the idea of a coalition cannot by any means be reduced to trading votes—we will give you so many votes, and you give us so many.

We will be able to raise the issue of a coalition realistically only when a principle, an arrangement for creating groups of deputies or factions is set forth in temporary or permanent regulations. Any word might be selected—deputy blocs, clubs, groups, factions. The mechanism of their formation rather than their name is the point. The principles of both the cooperation and struggle of various blocs or groups should be set forth in the same regulations. Coalitions may only be formed on this institutionalized foundation of factions.

RSFSR People's Deputy Gleb Yakunin

It is difficult to consider a coalition. Russia has no serious experience in this matter. Nothing of this kind has existed in our country since 1918, when the only coalition government of the Bolsheviks and the Left

Socialist Revolutionary Party collapsed. Incidentally, before 1917 Russia had only had its parliament and parliamentary political structures for just over 10 years. Only after the first Russian revolution did the Tsarist government agree to adopt a constitution and convene the Duma. At the time parties were legalized, a multiparty system developed, and blocs, factions, and coalitions came to be born... However, this process of the emergence of democratic structures was hampered for as long as 70 years. During these 70 years all dissent in our country was suppressed and eliminated. All discussions even within the party were punished in the harshest manner.

Therefore, all experience of political struggle by the opposition was thoroughly wiped out in these decades.

Since there was no experience of political struggle, there was no experience of cooperation and coalition either...

Considerable experience of this nature exists in the democratic parliamentary structures of the West, and over there many more than just two or three parties often belong to a coalition.

Election of New RSFSR Deputy Set for Aug

PM1106124390 Moscow IZVESTIYA in Russian 8 Jun 90 Morning Edition p 3

[Unattributed report: "In the Central Electoral Commission for Elections of USSR People's Deputies"]

[Text] On the basis of the 23 May 1990 USSR Supreme Soviet resolution on the early termination of the powers of USSR People's Deputy I.K. Polozkov, the Central Electoral Commission has scheduled the election of his successor from Krasnodar National-Territorial Electoral District No. 15 of the Russian Soviet Federated Socialist Republic for Sunday 19 August 1990.

Opening of Moscow City CPSU Conference Noted

LD1406132190 Moscow TASS International Service in Russian 1137 GMT 14 Jun 90

[Text] Moscow, 14 Jun (TASS)—The conference of the Moscow city organization of the CPSU opened here today. Almost 1,200 delegates who have been elected by direct, secret and alternative ballot by party constituencies and who represent the whole spectrum of platforms and trends in the party are taking part in it. Mikhail Gorbachev and Nikolay Ryzhkov are delegates to the conference. Other members and candidate member of the politburo and secretaries of the CPSU Central Committee are taking part in the work of the conference.

It is planned to hold the conference in two stages. At the first, the drafts of the pre-congress documents will be discussed and candidates for the leading bodies of the party put forward. The rapporteur, Yuriy Prokofyev, first secretary of the Moscow CPSU City Committee, gave a tough analysis of the situation in the city party organization. He stressed that ideas, means of attaining goals which are adequate to the demands of the times are needed, as is the collective reason of all communists of Moscow in the search for ways out of the crisis. One can remain no longer in the euphoria of slogans of perestroyka without presenting clear goals, without having scientifically substantiated ways of emerging from the present state of the party, society, and country. Otherwise perestroyka may turn into another campaign. Problems connected with the transition to the market were discussed in the report and in many speeches. The draft of the position of Moscow communists toward the 28th CPSU Congress notes the inconsistency of the governent concept of the new economic structure. The conference will continue its work on 15 June.

Conclusion of Leningrad Party Conference Reported

LD0906200490 Moscow TASS in English 1936 GMT 9 Jun 90

[Text] Leningrad June 9 TASS—After two days of keen discussions, the second phase of the joint conference of the Leningrad regional and city organisations of the Soviet Communist Party (CPSU) has ended in Tauride Palace. The conference adopted a political statement by Leningrad communists for the CPSU's 28th Congress.

The statement comprises a multitude of party members' proposals about ways to renew the party and get Soviet society out of the crisis.

As the immediate goal determining a minimum programme, the Leningraders suggested to build a humane, democratic socialism, to turn the CPSU into a consolidating force of society in the dramatic period of its reorganisation.

Delegates emphasised that it was essential to abandon confrontational methods and to work to overcome inevitable and natural theoretical differences.

The delegates adopted main suggestions for introduction to the draft rules of the CPSU, discussed the results of the analysis of the state of affairs concerning privileges and benefits in the regional party organisation, and elected delegates from the Leningrad party organisation to the CPSU's 28th Congress to fill vacancies following elections in district and city party organisations.

'Stormy Discussions' Held

LD0906195590 Moscow TASS International Service in Russian 1500 GMT 8 Jun 90

[Text] Leningrad, 8 Jun (TASS)—A TASS correspondent reports: The Tavricheskiy Palace in Leningrad, where the State Duma of Russia once sat, was today witness to a stormy discussion. After an interval of almost a month, the second stage of the conference of the Leningrad CPSU organization opened here.

The delegates adopted in its first reading a political declaration for the 28th CPSU Congress with the

demand that the party—the main base of which remains the working class—be renewed.

The declaration proposed that the CPSU be released from its functions as a party which overlaps with the state and to place the Ministry of Internal Affairs and the KGB under the jurisdiction of the president and the USSR Supreme Soviet. The authors of the declaration proclaim the CPSU "the party of civic peace under the conditions of political pluralism and the radical renewal of society."

The statement accumulated more than 20,000 proposals by the Leningrad communists during discussion of the draft platform of the CPSU Central Committee for the party forum. Many of those taking part in the conference stressed lack of satisfaction with the platform which, in their view, "is out of touch with real life."

A great many proposals and additions to the draft rules of the CPSU were made at the conference. The mandates of the delegates to the 28th CPSU Congress from the Leningrad party organization were endorsed.

Leningrad's Sobchak Discusses Local Issues

PM1206140290 Moscow NEW TIMES in English No 22, 29 May-4 Jun 90 pp 6-7

[Unattributed interview with Leningrad City Soviet Chairman Anatoliy Sobchak; place, date not given: "The Leningrad Soviet Will Not Share Power"—first paragraph is introduction]

[Text] The democratically-elected Leningrad City Soviet seems unable to curb its own democratism. The first session of the city Soviet threatened to become an endless declaration about the necessity of democratic administration, but the Soviet did not move an inch closer to this kind of administration. The city had a Soviet but power was elsewhere. The situation was aggravated by indications of a split among democratically-minded deputies. One of the reasons for this confusion was the lack of a leader. That's why the announcement that People's Deputy of the U.S.S.R. Anatoliy Sobchak would run for the Leningrad City Soviet caused a great amount of interest and expectations. It was no secret that if he was elected, Sobchak would become the City Soviet chairman. Right after Sobchak's election, New Times asked him for an interview.

N.T. You have been refusing to run for the City Soviet. Why did you change your mind?

A.S. There are many reasons. Initially I refused to run for the Leningrad City Soviet and the parliament of the Russian federation despite numerous nominations because I thought it would be impossible for me to hold two mandates at once. Later, when the Leningrad City Soviet was elected, it turned out that it was a very democratic municipal council composed of intelligent, educated and mostly young people. This Soviet had one disadvantage, though: it had no or little political experience. Over 95 per cent of the new elected deputies have never served in this capacity or engaged in politics. That's why each of them, probably still under the influence of the election campaign, continued to regard work at a municipal council as a continuation of the election campaign meetings. At a meeting, however, one presents and upholds one's point of view to the end. At a Soviet one must seek compromise and decisions which allow one to preserve one's principles and views and at the same time help keep things moving.

In this situation, a large group of deputies suggested that I run for the City Soviet and chair it in case I am elected. They said they hoped my parliamentary experience would help unite factions in the Soviet.

After long and difficult reflections I agreed.

N.T. Don't you feel like you are making a sacrifice?

A.S. At the time we are living in, the word "sacrifice" should not be used. We are living through revolutionary changes in the life of the country and no one of us has the right to be passive or indifferent. These changes require some risk. Some people refuse to take chances and stay at home doing nothing. Others take a risk, even the mortal risk, because they want to change the life of society and the people.

Today all people can be divided into three large groups: the first group is reform-minded people who realize that it is impossible to go on living in the old framework and demand radical reforms, political, economic and social renewal. The second group is conservatives who want no change, who want to preserve their power and position in society; these are mostly party and state functionaries. The third group is the largest one and it is the silent majority. These are passive people who prefer to wait and see—some due to habitual cowardice, the fear that the past may return, others due to the habit of obeying the bosses, laziness, and unwillingness to change anything or inability to think independently.

The future of change in this country depends whose side the silent majority will take.

N.T. Leningrad is often called a great provincial city. Do you believe you and the new Soviet will be able to change Leningrad's lot?

A.S. I believe that the very question is out of place. Naturally we will succeed, we can't fail! Leningrad has no right to live in poverty. There are many projects of how to revive the city. First of all we must remember that Leningrad is a jewel which can become an international tourist attraction. Spain receives billions of dollars from tourism. They say Spain has two tourists per each Spaniard every year. If we had at least one foreign tourist per each Leningrader a year we would be able to develop traditional crafts, production of souvenirs, printing, so as to make every tourist spend as much money on our city as possible...

N.T. ... and then you will give this money away to the central authorities?

A.S. Absolutely no! Not a single ruble or dollar will be given away! The money we earn from tourism or any other business must remain in Leningrad. This is the only condition on which we will work. The game will not be worth the candle if all the money we earn goes to Moscow as it used to.

N.T. What is your idea of an autonomous municipal council?

A.S. Everything should start on the grass-roots level. That is why the city Soviet must be independent in solving all city problems including the one of accommodating state enterprises, military facilities etc. No businesses or activity may be undertaken in the city without the knowledge and consent of the city Soviet. Our creed from now on is that no decision affecting the city may be taken in Moscow in defiance of the city Soviet. If a Moscow ministry or department or agency wants to build something in Leningrad, it will have to apply to us. We will not come pleading with Moscow any more, let officials from Moscow come to us and prove the necessity and profitability of each new project. We will close down all enterprises which we will find unnecessary, ecologically dangerous or non-profit-making for the city.

N.T. The regional party committee thinks it is also a body of power and will insist on its right to run the city.

A.S. We will not share power with anyone. These are concrete and not abstract problems. After we start working we will see which affairs party bodies will be meddling in. One must bear in mind that the bureau of the regional party committee has been renewed and now includes representatives of the Democratic Platform in the CPSU. I hope our cooperation with the party committee will be fruitful. The main thing is that all power belongs to the Soviet. Anyone who would fancy opposing this power should remember the fate of all those who have ever opposed Soviet power.

N.T. Are you more of a lawyer or a politician?

A.S. Law is inseparable from politics. The bad thing is that our former leaders were not lawyers—that's why they never had any respect for the law. I believe that the main thing is to observe the law to the letter.

Strike Declared at Murmansk Trade Enterprises

LD1406110190 Moscow World Service in Russian 1030 GMT 14 Jun 90

[Text] According to INTERFAX,

In the town of Olenegorsk, Murmansk Oblast, a warning strike was declared at trade enterprises yesterday. Eight hundred trade workers in the town are demanding the lifting of the Russian Soviet Federated Socialist Republic Supreme Soviet presidium decree of 27 February 1990 on increased responsibility for abuses in trade and speculation.

Baykal TV Cable Network Opens in Irkutsk

LD1206021590 Moscow Domestic Service in Russian 2230 GMT 11 Jun 90

[Summary] Irkutsk Oblast has a new television company, called Baykal Television. It is a cable network, uniting various studios, providing legal protection, material and technical supplies, and rendering creative assistance. All problems will be solved jointly with the oblast and local soviets of people's deputies.

Western Republics

Kiev Conference Views CPSU Rules, Platform

LD0906043990 Kiev International Service in Ukrainian 1800 GMT 7 Jun 90

[Report by Mykola Marynenko]

[Excerpts] First, the Kiev City Communist Party Conference elected delegates to the 28th congresses of the CPSU and CP of Ukraine. It also expressed its attitude toward the new rules of the CPSU and toward the draft action program of the Ukrainian Communist Party. Speaking on the results of discussions about the pre-congress documents, Anatoliy Korniyenko, first secretary of the Kiev party gorkom, stated:

[Begin Korniyenko recording] The discussion of the pre-congress documents published by the CPSU Central Committee and its Ukrainian counterpart is drawing to an end at this conference. [passage omitted] The debate has testified that the majority of party members support the draft platform of the Central Committee, and the draft rules of the party, and also the action program of the Ukrainian Communist Party.

It should be noted that the CPSU Central Committee platform is being supported, with serious reservations though, by 70 percent of those polled by the Kiev city party committee. Up to 22 percent of communists support certain moments but disagree with many assertions. Three percent of the party members give them a resolutely negative evaluation. [passage omitted]

The social-political situation in Kiev reflects the whole complexity of the processes taking place in the republic and in the country. At the same time, the capital of the Ukraine has been selected by all our opponents as one of the main testing grounds for polishing out their strategy and tactics in political struggle. In 1989, and since the beginning of this year, over 160 meetings were held in Kiev, half of them without obtaining sanctions.

Power politics are resorted to more widely such as calls for strikes, creation of parties with mass membership, civic disobedience, picketing of government premises,

hunger strikes, and such. A considerable part of party members have lost their bearings in this complex social-political situation and have become overpowered by confusion. Beginning with the second half of 1988, the number of party members registered with the Kiev city organization who voluntarily left its ranks is constantly growing. During the five months of this year, 2,700 members have left the party. [end recording]

How do the delegates evaluate the work of the city party organization's leadership? Here is one view.

[Begin Polokhalo recording] My name is Vladimir Polokhalo, secretary of the party committee of Kiev State University. We held a similar conference in the end of April. We have 500 members in the university. The conference, by an overwhelming vote, expressed no confidence in Comrade Korniyenko, first secretary of the Kiev party gorkom, for his and the whole buro's failing to display initiative in solving difficult problems and to act as a genuine vanguard in democratic transformation and radicalization of the party itself. [passage omitted] As a result, the rating of the Kiev city party organization has fallen to a new low. [end recording]

New Mass Grave Discovered Near Kharkov

PM1306090590 Moscow IZVESTIYA in Russian 13 Jun 90 Morning Edition p 4

[Report by own correspondent A. Kleva under the "Details for IZVESTIYA" rubric: "Echo of Katyn"]

[Text] Kharkov-Kiev—Kharkov Oblast KGB Directorate personnel have found a second mass burial ground in the city containing the victims of Stalin's repressions. Thousands of Polish servicemen are also buried on what is now square No. 6 of the forest park alongside Soviet citizens killed at some time in the past.... A new bitter page in the very new history of the fatherland—an echo of the Katyn tragedy.

The IZVESTIYA office heard of the first evidence of this in fall 1988. Pavel Khaymovich then made the following report to the prosecutor's office and the KGB oblast directorate: "...In the late-1960's, on the northern outskirts of the city near the Kharkov-Moscow highway, I discovered level unmarked graves and skulls with bullet holes. The relevant services soon cordoned off the area, barred access to it, and constructed convalescent homes. I will give any commission that tackles this investigation what little information I have at my disposal."

The public soon learned from the local press that criminal proceedings had been instituted in respect of this case. But the investigation was conducted slowly, sluggishly, as if the city were unable to overcome the stereotypes of the earlier period of atrocities. And so it went on until this March...

A month ago the KGB oblast directorate summed up the first results of the hard and painstaking work: more than 1,760 of our innocent compatriots were shot there at Square No. 6—more than 300 deserters from prewar Poland, German POW's who died in an isolation camp in 1943, and "polizai" and traitors sentenced to death by tribunal were also buried there. The remains of soldiers and officers in Polish uniform were frequently to be found among their remains.

"Today it is time to state," said General Georgiy Kirillovich Kovtun, deputy chairman of the Ukrainian KGB, "that we have opened another difficult page of past tyranny for our fatherland. This process has speeded up the accord between the Soviet and Polish Governments to clear up the circumstances behind the deaths of Polish servicemen interned in 1939 during the liberation of the Western oblasts of the Ukraine and Belorussia. While restoring justice in respect of the victims of the Stalinist repressions, KGB and prosecutor's office personnel have paid particular attention to ascertaining whether this may be the burial place—here in Square No. 6—of Polish servicemen held in Starobelsk Camp, Lugansk Oblast in the period 1939-1940. Everything has been carefully checked out, even piecemeal information that local residents often found buttons off Polish uniforms and some military insignia in this area."

After analyzing all the facts and stories, the republic's state security organs have taken further steps to discover the fate of the Polish servicemen. In connection with the fact that the USSR KGB archives contained no information about Starobelsk Camp, experienced investigators from Kharkov were sent to the Soviet Army Central Archives and the USSR Central State Archives.

"Criminals in NKVD [People's Commissariat of Internal Affairs] uniform clearly realized that their crimes might at some time become the property of history," General G. Kovtun continued. "For that reason the murderers thoroughly destroyed the archives and eliminated documents with even an indirect bearing on the Kharkov executions. This is borne out by the destruction and dissolution of department archives."

Nonetheless KGB personnel have succeeded in collecting fragments of materials that indirectly attest that approximately 4,000 Polish servicemen were held in Starobelsk Camp. In April 1940, 3,891 people were transported by rail to the Kharkov Oblast NKVD....

A search is under way today for further traces of the missing Poles. The first witnesses have been found with information from various sources, including information from people working in the inner jail, of Polish servicemen's being handed over to Kharkov Oblast NKVD and being shot along with Soviet repression victims.

Literally a few days ago a document was found confirming that eight generals and a large group of senior Polish officers were held in Starobelsk Camp. Their names have begun to be carefully collated.

"We will expose the tragedy of Square No. 6 in full," General Nikolay Grigoryevich Gibadulov, chief of the

oblast KGB directorate, said. "We must tell the world the whole truth, down to the last drop—however hard it may be for our homeland."

"All the names will be established," G. Kovtun maintained, "We are hunting out lists of the people held in Starobelsk Camp. The day is now near when all the victims will be brought back from oblivion."

Murder Heightens Racial Tension in Moldavia

PM1206092190 Moscow KRASNAYA ZVEZDA in Russian 9 Jun 90 First Edition p 4

[Report by KRASNAYA ZVEZDA correspondent Colonel N. Mulyar under the "Moldavia: Political Situation" rubric: "Stephen the Great 'Saw' This"]

[Text] This incident occurred in the city 14 May and the passions it aroused have not yet died down. Students from Kishinev's Domestic Services Technological Technical School, where Dmitriy Matyushin was a student, along with city residents and people's deputies have appealed to official bodies demanding that the killers be punished.

"The brutal beating, committed out of ethnic hostility, that resulted in the death of 18-year old Dima Matyushin," Ye. Varfolomeyev wrote to the editorial office on behalf of a group of deputies, "utterly stunned everyone. We are convinced that this monstrous act is not a chance event but the logical result of the development of the situation in our republic and the leadership's inability to ensure elementary order guaranteeing citizens' lives and security."

What happened? Dmitriy's comrades describe it:

"Dima and two girls from our group were returning home from the 'Oktombriye' movie and concert hall. They were discussing the concert program," A. Betrincha said. "A man came up to them near the Victory Arch: 'We are in mourning, but the Russians are making merry,' he said. 'They'll show you their merrymaking now.' The young people paid no attention to these words, but as they passed close to the Stephen the Great monument several people detached themselves from a group standing there and rushed up to them waving their fists. Dima was thrown to the sidewalk and brutally kicked in the head while the girls were chased. They screamed and called for help. They saw a militiaman standing near the monument but he did not respond to their cries. Stephen the Great also 'saw' all this. If only the monument could talk!.."

A chance passerby later picked up the bloodied young man and took him off to the hospital in his Zaporozhets. Dima died in the hospital without regaining consciousness.

Matyushin's murder aroused a stormy reaction in the city and heated up an already explosive political situation to the limit. Rallies were held at enterprises and labor collectives in the city. People demanded an end to the terror and demanded that the killers be found.

This is what I. Mikhaylov, secretary of the "Vibropribor" Production Association Special Design Bureau Party Organization, said at a rally:

"I can understand the struggle for language and culture. I can understand the Moldavian people's pain, but I cannot understand or accept the barbaric, violent methods used against people. There is not a single family in our city today that can feel at peace."

The day of Matyushin's funeral, 22 May, city residents—mainly women and old people—began to gather at the opera theater for a rally. They were carrying posters proclaiming "Save Our Children!" "Call the Killer to Account!" A group of young people in gloves, obviously ready for fisticuffs, unexpectedly forced their way into the crowd.

"I also attended the rally," Z. Okunskaya, member of the Communist Party of Moldavia Central Committee and first secretary of Oktyabrskiy Party Raykom [Rayon Party Committee], said. "What I saw has not sunk in. There were threats of physical violence against women, yells like 'Beat It Back to Siberia!' Scuffles began in various places. Two louts struck an elderly man before my eyes. Women were screaming.... Yet on the square there were mothers, fathers, and invalids demanding that order be restored and more resolute actions be taken by law-enforcement bodies."

Deputies were also on the receiving end on the same day.

"'Murderers! Vermin! Fascists!'.... A group of guys shouting ths went for me near the Supreme Soviet building. They began to shove, hit, and insult me," I was told by Lieutenant Colonel S. Zatsarin, people's deputy of the Moldavian SSR [Soviet Socialist Republic].

M. Snegur, chairman of the Moldavian Supreme Soviet, issued a statement at the session in which he pointed out, in particular, that "extremist elements are not being properly repulsed." It has not yet even been ascertained who is directing these youths who are behaving so disgracefully on the street. Things have reached the point where people are being beaten up and even killed.... He asked the Supreme Soviet to adopt an immediate resolution providing guarantees for his personal safety: "I have appealed to the republic's KGB twice on this subject, and have received no response."

As we can see, the head of the republic himself is asking for protection. What about ordinary people? At rallies they are adopting resolutions to the Moldavian SSR Supreme Soviet demanding protection for themselves and their children against hooligans and extremists who have lost all restraint. Here is one point from a resolution adopted by a party-economic aktiv meeting in Kishinev's Sovetskiy Rayon: "The threat to citizens' personal safety increases with every day that passes. Despite this, the Supreme Soviet and the city soviet of people's

deputies are not taking steps to normalize the situation. The aktiv meeting demands that the Moldavian Supreme Soviet and the city soviet take effective emergency steps to guarantee every citizen's safety and provide timely, full, and correct information about the situation in the city and the republic."

Deputy Ye. Varfolomeyev, chairman of the "Yedinstvo" coordinating council in Leninskiy Rayon, noted in conversation that a working people's voluntary militia patrol has been formed to protect Russian-speaking deputies. But who will defend children and elderly people against extremists' attacks?

"What action is being taken to investigate Dmitriy Matyushin's murder?"—I put this question to Militia Lieutenant Colonel B. Muravskiy, chief of the city's Frunzenskiy Rayon Internal Affairs Department.

"Criminal proceedings have been instigated. The Moldavian Ministry of Internal Affairs Investigation Administration is conducting an investigation into the case in view of the tremendous sociopolitical repercussions. We are not yet giving out any information as to the results of the investigation. I will only say that the criminals have not yet been apprehended. The court will establish the motives for the murder," Boris Pavlovich concluded the conversation.

That is the complex sociopolitical atmosphere in Moldavia today. Alongside the wild rampage of extremism and nationalism, the actions of individual deputies and thoughtless decisions are adding fuel to the fire.

Russian-speaking group deputies from nine cities and rural rayons held a congress in the village of Parkany. Along with questions of setting up an autonomous formation on the Dnepr, they adopted an appeal rejecting the resolution adopted by the Moldavian Supreme Soviet session "On Recognizing the Independent Lithuanian Republic." Reaction to the congress and the appeal has been disparate. Passions are on the boil.

Moldavian TV Programming Changes Planned

LD1306183790 Moscow Television Service in Russian 1400 GMT 13 Jun 90

[From the "Vremya" newscast]

[Summary] Moldavian television broadcasts in Moldavian, Russian, Bulgarian, Gagauz, and Ukrainian. The first program in Hebrew has been broadcast. A special section has been set up at the television which, in time, will become a main editorial office. The volume of multilingual broadcasting is to be increased. There is to be an exchange of programs with Bulgarian television. As well as news, publicist, and music programs, there will be feature films and cartoons with subtitles which will help the study of languages.

The republic's Ministry of Information Science, Information, and Communications is creating the technical potential for a separate television channel in localities with concentrations of Bulgarians and Gagauz.

Caucasus

Armenia Begins Developing Flight Routes

NC1306102090 Yerevan ARMENPRES International Service in Armenian 1215 GMT 12 Jun 90

[Text] Yerevan, 12 Jun (ARMENPRES)—Tu-134 and Tu-154 aircraft belonging to the Armenian Civil Aviation Department are to begin regular weekly flights between the capitals of France and Armenian on 26 June. The flight schedule for the coming months has been fixed. For example, in July the flights will take place on the 3d, 11th, 18th, 24th and 31st of the month.

Ovannes Yeritsyan, chief of the Armenian Civil Aviation Department, told an ARMENPRES correspondent: The Yerevan-Paris air link is being opened to promote ties between the republic and the Armenian community in France. The route will be used only by our planes which have been (?assigned) special crews.

The distance of the flight is 5,000 km. At first we will make stopovers in Simferopol or Bulgaria's Burgas airport, but we will start direct flights once we receive two long-range Tu-154 aircraft.

A union-level decision was recently adopted on a number of pressing issues relating to the development of local, union, and international flight routes in Armenia which are urgently needed in connection with the republic's transition to economic autonomy.

O. Yeritsyan noted: As is known, Catholicos Vazgen I gave us $1 million to purchase helicopters. Armenian pilots are deeply grateful to our patriarch for that.

Vladimir Markaryants, head of the Armenian government, decided that the helicopters should be purchased with Soviet rubles and $1 million used overseas to purchase equipment for Yerevan's airport. We have already received one helicopter and should receive two more in the near future. After that we will also get two Tu-154 powerful airplanes for the direct flights to Paris. Moreover, four new Il-86 helicopters will be based in Yerevan as of next January.

Other problems, important for us from the viewpoint of principle, were also resolved.

Agreement has been reached with the Armenian Council of Ministers on the construction of aircraft hangars for us. The government is helping us obtain our own aircraft parking area and resolve the housing and social problems of the thousands of members of our collective.

There are plans to extend the Yerevan-Paris route to Los Angeles once the U.S. Government gives its consent. There are also plans to link Yerevan with the capitals of Iran, Kuwait, and Israel and with other cities of the Near East where our compatriots live.

Council of Ministers Discusses Seizure of Vehicles

NC1306123190 Yerevan Domestic Service in Armenian 0500 GMT 13 Jun 90

[From the review of KHORHRDAYIN HAYASTAN]

[Text] The numerous criminal attacks against establishments, enterprises, and citizens and the forcible seizure of vehicles was the subject of serious debate at the Armenian Council of Ministers.

A statement issued in this regard notes that the Council of Ministers has adopted a relevant decision which indicates that criminal groups and individuals seized (?1,800) vehicles [words indistinct] from (?January to June). The Council of Ministers instructed the republic's administrative organs to resolutely check the illegal and criminal attacks on state establishments, enterprises, organizations, and citizens which are intended to seize their vehicles.

The republic's Internal Affairs Ministry was instructed to (?speedily) formulate and implement measures to ensure the unconditional confiscation of stolen or seized vehicles and their return to their owners.

Commandant Issues Order on Disconnecting Phones

NC1306115990 Yerevan ARMENPRES International Service in Armenian 1215 GMT 12 Jun 90

[Excerpt] Yerevan, 12 Jun (ARMENPRES)—Major General V. Safonov, military commandant of the state of emergency in the Nagorno-Karabakh Autonomous Oblast [NKAO] and adjacent areas, issued the following decree on 28 May "on specific regulations on the use of communications means" on the basis of the 15 January decree of the USSR Supreme Soviet Presidium "On the Introduction of a State of Emergency in the Azerbaijan SSR's [Soviet Socialist Republic] NKAO and Some Other Regions" and the 3 April USSR law "On the Legal Regime of the State of Emergency:"

I hereby order:

The introduction of specific regulations concerning the use of communications means in Stepanakert city in view of the continuing actions favoring separatism, fomenting national discord, and instigating disruptions of public order.

To disconnect the home and business telephones of specific persons residing in the area under the state of emergency beginning on 28 May in line with the prescribed timetable.

To place the telephones thus obtained at the service of the USSR Internal Affairs Ministry subunits, the officials ensuring the implementation of the state of emergency, and other state adminstrative bodies.

All directors and officials in the communications sector should take measures to execute this order which goes into effect on the day of its publication.

[Signed] Major General V.N. Safonov, commandant of the state of emergency region
Colonel V. Ovchinnikov, chief of staff of commandant's office [passage omitted]

Stepanakert Pipeline Destroyed 24 May

NC1306124890 Yerevan ARMENPRES International Service in Armenian 1215 GMT 12 Jun 90

[KHORHRDAYIN KARABAKH article; date not given: "Again 'Unidentified Persons'"]

[Text] Stepanakert, 12 Jun (ARMENPRES)—Taking advantage of the confusion prevailing in the oblast capital on 24 May, "unidentified persons" committed a provocative act. They blew up one of the major water arteries in the city, the Traket pipeline, thus reducing the water supply to the city by almost 25 percent.

Nelson Aslanyan, director of Stepanakert water pipeline office, told our correspondent:

The shift worker at the number two purification plant phoned me at midnight on 24 May to say that the supply of water from the Traket dam had ceased. The next day we went to the disaster area accompanied by a group of soldiers. The 350-mm pipe was scattered over an area of 50-60 meters. Parts of the pipe had been thrown into a nearby gorge [words indistinct]. I have appealed to Safonov, the commandant of the state of emergency region, as well as to the oblast procuracy, the court, the oblast department of the Internal Affairs Ministry, and the city soviet executive committee asking for the speedy repair of the destroyed pipeline which provided water to a city already experiencing a water shortage.

Regrettably, no answer has been received from these organs so far.

Georgia Supreme Soviet To Convene 20 Jun

Agenda Reviewed

LD1206230690 Moscow Domestic Service in Russian 2130 GMT 12 Jun 90

[Text] We have received a decree of the Georgian Soviet Socialist Republic Supreme Soviet Presidium on the convocation of the republic's parliament. The extraordinary 15th session will open on 20 June, in Tbilisi. The agenda includes the following questions: on making additions to the decision of the republican Supreme Soviet of 9 March this year on guarantees of the protection of the state sovereignty of Georgia and measures for the subsequent implementation of this decision; on sending a note to the Supreme Soviet of the Russian Soviet Federated Socialist Republic on an assessment of the legal and political consequences of the violation of the treaty of 7 May, 1920 between the Georgian Democratic Repoublic and the Russian Soviet Federataive Socialist Republic.

There will also be discussion of the question of creating the legal mechanism for restoring the state independence of Georgia and other important problems.

Extraordinary Session Called

PM1306183590 Moscow KRASNAYA ZVEZDA in Russian 13 Jun 90 First Edition p 3

[Lieutenant Colonel V. Kaushanskiy report "From Tbilisi": "Let Us Wait Another Week"]

[Text] Republic newspapers published a Georgian SSR [Soviet Socialist Republic] Supreme Soviet Presidium decree on Tuesday 12 June on the convocation of an extraordinary Georgian Supreme Soviet session. There would have been nothing unusual in this fact were it not for the dramatic circumstances that preceded it.

Five Tbilisi State University students went on hunger strike. Then there was a chain reaction, as has frequently been the case. The students were backed by the group of parties that make up the "roundtable" bloc, by members of the Georgian People's Front, and so on. Representatives of the Transcaucasian Railroad Management Trade Union said the following: If the students' demands are not met, Transcaucasian Railroad personnel will call a strike. A tent was pitched near Government House in which people engaged in support action for the hunger strike lived for a few days.

What are the conditions set by the "five"? There are ten conditions. The main one being that the proclamation of the Georgian Soviet Socialist Republic in February 1921 be deemed illegal and invalid.

G. Gumbaridze, chairman of the republic's Supreme Soviet and first secretary of the Georgian Communist Party Central Committee, met leaders of some opposition parties and political movements, along with representatives of the corps of deputies 8 June. They discussed the situation surrounding the convocation of the extraordinary Georgian SSR Supreme Soviet session.

There has been a disparate reaction to the events of the last few days in the republic. Opinions are sometimes diametrically opposed. Some people believe that the leadership is being artificially "incited" to adopt a Declaration of Georgian Independence, while economic and political conditions are not ripe for this yet. Others are afraid of a possible orientation toward the "Baltic model." While a third group are profoundly convinced that since Russia intends to adopt an act of this kind "we have, so to speak, been commanded by God to do it."

Members of the coordinating center of the Georgian National Liberation Movement voiced a special stance at their extraordinary sitting. Their special statement stresses that this body disagrees in principle with the students' action and condemns the stance held by those political organizations that are trying to exploit this "unwarranted action for their own ends." The document also says that the authorities have already met a number of the hunger strikers' demands, and there is therefore no point in raising questions that "will be settled in the near future anyway."

Be that as it may, Georgia is on the verge of crucial decisions. The hunger strike has been suspended for the time being.

Central Asia

New Dzhambul Obkom First Secretary Elected

LD1206230190 Moscow Dometic Service in Russian 2130 GMT 12 Jun 90

[Text] In Dzhambul there was a plenum of the oblast committee of the Communist Party of Kazakhstan which examined an organizational question. Comrade Bayzhanov was released from the post of first secretary in connection with his election as a member of the Politburo and secretary of the Central Committee of the Communist Party of Kazakhstan.

Comrade (Bagildinov) was elected first secretary of the oblast committee by a secret vote. He previously worked as chairman of the Dzhambul Oblast Executive Committee.

Kirghiz Party Congress Opens 14 Jun

LD1206162690 Frunze Domestic Service in Russian 1200 GMT 12 Jun 90

[Excerpt] The Kirghiz Communist Party Central Committee informs the delegates of the 19th Kirghiz Communist Party Congress that the opening of the congress will take place on 14 June at 0900 in the hall of the Kirghiz State Philharmonia. [passage omitted]

Participants Noted

LD1406060690 Moscow Domestic Service in Russian 0300 GMT 14 Jun 90

[Text] The latest Kirghizia's Communist Party congress opened in Frunze today. We have already reported this.

The delegates will hear the Central Committee's report on progress in restructuring and on the tasks of the republican party organization. They will also discuss the draft platform of the party's Central Committee for the 28th congress and the draft rules.

Participating in the congress work are Biryukova, candidate member of the CPSU Central Committee Politburo and deputy chairman of our country's Council of Ministers; Aytmatov, member of the USSR Presidential Council; and Laverov, deputy chairman of the USSR Council of Ministers.

'Complex Changes' in Kirghiz Party Cited

LD1406080490 Moscow TASS in English 0710 GMT 14 Jun 90

[By TASS correspondent Boris Mainayev]

[Text] Frunze June 14 TASS—Representatives of the more than 144,000-strong republican party organisation assembled to discuss ways to intensify perestroyka in Kirghizia, assess events in Osh region and attempts to destabilise the situation in Frunze and other parts of the republic.

A state of emergency was introduced in Frunze on June 7. The city's commandant, Colonel Felix Kulov issued orders permitting the forum and stepping up protection of the building where the forum is being held.

The Communist Party of Kirghizia is passing through a period of complex changes. A sociological survey of the frunze party organisation was conducted to clarify the situation within the party. Of the city's population of 600,000, just over 35,000 are party members. They represent 65 nationalities. The average age is 47. Last year, 750 people—more than in 1988—were admitted to the party as candidates for full membership. There were fewer workers among them. In 1989, workers accounted for 50.4 per cent of the new members, 8.5 per cent less than in the preceding year.

Last year, 683 people were expelled from the party, twice the number in 1988. Many people handed in their membership cards of their own will—322, of these nearly 60 per cent were workers, 34.5 per cent pensioners, the others were intellectuals.

State of Emergency Declared in Osh, Frunze

Background to Violence

PM1306105990 Moscow KOMSOMOLSKAYA PRAVDA in Russian 13 Jun 90 p 1

[Report by "our correspondents" K. Bayalinov and K. Karabekov: "If the Shacks Are Fighting, People in Palaces Feel Easier. Is That Not One Reason for Interethnic Conflicts?"]

[Text] The Kirghiz Communist Party Congress begins work tomorrow. Its sittings will take place at a complex and alarming time for the republic. A state of emergency has been declared in Osh Oblast and in Frunze. A considerable number of the delegates to this day do not understand how a state of emergency could have arisen in a republic whose political situation only yesterday was customarily a source of pride. Relatively recently M. Vasilenko, a responsible worker of the Kirghiz Communist Party Central Committee, asserted that Kirghizia "occupies a fitting place in our country in terms of its moral climate."

What they will talk about we can as yet only guess. But at the level of high-ranking party structures accusations are already being leveled against the "Kirgistan" sociopolitical movement which emerged recently: "It is its leaders who are destabilizing the situation."

It is true that not everyone is inclined to see the root of the evil in the informal organizations. Thus, Medet Sherimkulov, secretary of the Kirghiz Communist Party Central Committee, displaying personal courage by being in the zone of the bloodshed from the first day, believes that we cannot anticipate events and give sharp assessments of someone's actions, we must first look into everything.

And so what did happen in Kirghizia? Without laying claim to the final truth, we offer our version.

Fergana, Dushanbe, Andizhan, and now Osh.... This city in south Kirghizia has taken over the sorry tradition of the tragedies of the peoples of the Fergana valley. And indeed of all Central Asia. Bloody conflicts on interethnic soil erupted in an instant into the peace and calm which used to prevail on that land. An accident, an evil chance, or the eruption of accumulated problems?

History itself has so decreed that Uzbeks, Kirghiz, Tajiks, Russians, and since some time ago Meskhetian Turks, Crimean Tatars, Karachai, and Chechen have been living on this most fertile land in good-neighborly relations. Evidently the fixing of Central Asia's national-territorial boundaries in 1924 arbitrarily defining the borders of the Turkic peoples had already sown the seed of discord. A once integral ethnic community was destroyed. Traditional ties were broken. Where formerly Uzbeks and Kirghiz lived peacefully there passed an invisible line or boundary, sometimes dividing one settlement in two.

The problems, accumulating over the years, have led in our days filled with uncertainty, with the weakening of the center's influence and power, to the point where each person, fencing himself off with his own national wall, has seen his neighbors as the cause of his misfortunes. This has also been the time of the highest peak in the growth of national self-awareness as an alternative to the principle of the homogeneity and lack of identity of the "Soviet people," which had been implanted for decades. Initially this developed into local domestic disputes. With time they led people to unite on a narrow national basis and, unfortunately, what happened was preprogramed....

The East is a subtle matter. The Kirghiz proverb has it that water destroys the mountain and people are divided by a quarrel. But when the quarrel is aggravated by mass unemployment and uncertainty in the future, eastern wisdom does not work. People unspoiled by parliamentarianism instead of the pens and notebooks which are the attributes of congressmen resort to hoes and guns.

So here too in Osh demands of a consumer and economic nature rapidly acquired a political coloring. The population's lack of faith in the authorities' ability to make any improvement in their life pushed them to

extreme measures. Although few people knew how to change or improve this life, here too the interests of part of the city's Kirghiz and Uzbek population came to grips. There was a collision. Some demanded land for individual construction while this same land was feeding others. Some were already unemployed, others did not want to lose their work.

Ultimatums, including the demand that Osh Oblast be granted the status of an Uzbek autonomous region, were put into play. But, alas, borders are not determined by lines on a geographical map. Who has the right to change them arbitrarily?

There are every grounds for speaking of the participation of warring clans which have not shared power being involved in the Osh tragedy. One of these clans controlled trade and public catering, the other represented the majority in the organs of management. Actually, perestroyka has shaken many palaces, for whom the war among the shacks could not be more convenient now....

Was it possible to predict the course of the events which developed? Undoubtedly tension had been rising for a long time. The republic's KGB had repeatedly informed the Central Committee and Council of Ministers of this. But the soviet and party organs have now grown accustomed to acting more in the role of firemen. And so there was a roar of thunder. The echo of Osh reverberated in the republic's capital in meetings, rallies, and violence. Armored vehicles and submachinegunners have erupted into the once peaceful city's daily life and the terms "special troops" and "cheremukha gas" have entered its inhabitants' vocabulary.

We shall not dispute the arguments for introducing the state of emergency and the curfew. We shall say one thing: Frunze was saved from the tragedy of Tbilisi or Baku by commander Feliks Kulov who, despite the introduction of the emergency situation, being in a minority, allowed a meeting to be held and, a day later, a remembrance service for the dead according to Islamic custom. Let us note not a single serious law violation has been recorded in this big city in the past few days. Yet the armored vehicles have already "warmed up" their engines beyond the central square....

Time will heal the wounds but the deaths of the 139 people who burned in the flames of the interethnic clash will hardly be forgotten soon. A wound has been inflicted on mutual relations between two neighboring peoples, most simply people. But only they themselves and no one else can heal them.

Situation Returning to 'Normal'

LD1306180290

[Editorial Report] Moscow Domestic Service in Russian at 1500 GMT on 13 June carries a 3-minute report on the situation in Osh Oblast, Kirghizia, which is gradually returning to normal.

Special correspondent Vladimir Perfilyev in Uzgen speaks to head of the political department of the Army unit, Lieutenant Colonel Oleg Nikolayevich Yurchuk. Yurchuk says there are victims, destruction, blood and tears, but all this has achieved nothing. Refugees are being helped. We are helping with supplies of food, providing tents, he explains. Our doctors have carried out operations and saved lives. There were hundreds of refugees here, but now the situation is under control, he says. Everything was destroyed right down to the last shop and all institutions apart from the party raykom. Now people are recovering from this terrible nightmare, Yurchuk says. The enterprises are starting work again. People are looking to the Army for help and protection. We gathered the council of Uzbek Elders and the council of Kirghiz Elders, he says without further explanation. Both ethnic groups welcome the Army.

An unidentified man says that people are grateful to the Army, for without the Army there would have been a pogrom.

Situation Becoming 'More Stable'

LD1306200890 Frunze Domestic Service in Kirghiz 1215 GMT 13 Jun 90

[Excerpts] At a regular news conference for journalists of the republican and central press, radio, and television, held on 13 June, Sherimkulov, secretary of the Communist Party of Kirghiz Central Committee, announced that the situation in Osh Oblast was becoming more and more stable. [passage omitted]

Concerning the situation in the capital of the republic, Militia Colonel Kulov, commandant of Frunze, said that the past 24 hours have passed peacefully. A total of 18 crimes have been registered, none of them grave, and so the population has no cause for worry. Students at one of the hostels of frunze polytechnical institute threw stones and bottles at passing militia cars and caused a breach of the peace.

At the same time, the commander of the city stressed, on the streets the students did not come into conflict either with the militia or with the population. The rector of the college and the head of the hostel should take the necessary measures so that no one could disturb the peace. The news conference was told that special permission had been given to hold a number of party and trade union events. Answering questions, Sherimkulov spoke of the work yesterday of the plenum of the Kirghiz Writers' Union conducted by Aytmatov. The writers expressed serious worry about the dramatic events in Osh Oblast, and called on the creative intelligentsia of the Republic to strengthen friendly contacts with their colleagues from Uzbekistan and work together to completely localize the conflict. The secretary of the Communist Party of Kirghizia Central Committee especially noted the extremely important role of Chingiz Aytmatov in normalizing the situation. Comrade Sherimkulov told journalists of the coming work of the 19th Congress of the Communist Party of Kirghizia, which will open on

14 June. The delegates are arriving from all rayons of the Republic. The work of the congress will be relayed by Kirghiz television and radio. In the live relay, viewers will see the opening of the congress and its first session. Then in the evening of 14 and 15 June the relay will be continued without any break. Other relevant questions from journalists were answered.

Frunze Reported 'Calm'

LD1406071890 Moscow TASS in English 0633 GMT 14 Jun 90

[Text] Frunze June 14 TASS—By TASS correspondent Boris Maynaev:

Life in Soviet Kirghizia, site of recent bloody clashes between the Kirghiz and Uzbek people in which 155 people were killed and 748 hospitalised, including 42 law-enforcement officers and three soldiers, is returning to normal.

No shooting was reported during the night, authorities said.

The turmoil began on June 4 in Osh region, in southern Kirghizia, over a land dispute.

Most enterprises in Osh region are working as usual.

Republican capital Frunze is said to be calm.

Uzbek 'Refugees' Interviewed

LD1206182790 Moscow Television Service in Russian 1400 GMT 12 Jun 90

[From the "Vremya" newscast; report by correspondent A. Goryanov from Gulcha]

[Text] [Goryanov] We are on the (Pomeskiy) route. In that direction the road leads to Khorog. We have come here to find out what the situation is in the rayon center of Gulcha. [video: correspondent on a dusty road, group of peasant women]

About 15,000 people lived in this rayon center up until the events, and of them, about 800 people were Uzbek. Arson and pogroms took place here also. [video: correspondent interviews (Nargazinovich) in his car]

[Begin recording] [Nargazinovich] I am (Iskakov Menagarit Nargazinovich), a native of Gulcha.

[Goryanov] Tell me, please, what is the situation like today in this rayon center?

[(Nargazinovich)] At the moment it's normal.

[Goryanov] But there were many rumors circulating. What do you think, are some of the rumors justified or not? And to what degree?

[(Nargazinovich)] I don't know. But it was just one day.

[Goryanov] Well, were there many casualties, or not?

[(Nargazinovich)] Well, there were. How can I put it to you? I don't know accurately because I hid on that day. [end recording] [video: street of rayon center]

[Goryanov] as it turned out, not only the local inhabitants hid, but also the local leaders. [video: large group of women, with some men visible at the back of the crowd] If it wasn't for the Soviet Army, if it wasn't for this battalion, if it wasn't for Nikolay Mikhaylovich Kharitonov, we would all have been on the receiving end of bullets. It was only the Army that saved us. Later they set up a headquarters. Later they began to mobilize us, to transport us into these places, and now we have found a refuge here. [end recording]

[Goryanov] These are inhabitants of Gulcha, Uzbeks in the main. To this day they are in a military unit, refugees. Even today fear reigns in their hearts.

[Begin unidentified woman recording] We were born here. We grew up here. Our grandfathers and great-grandfathers lived their lives here. Of course it is painful to leave your homeland, painful, offensive, difficult, but where are we to go? If our lives are fully protected and guaranteed, guaranteed, then we will have another think. [end recording] [video: brief glimpse of helicopter in the air]

New Broadcasting Facilities Inaugurated in Termez

LD1206215290 Tashkent Domestic Service in Russian 0115 GMT 12 Jun 90

[Text] A new radio building has started working in Termez. In the three-floored building, designed considering local climatic conditions, equipment in the studio block, complete video hardware, and editorial offices have been fitted. The equipment, received from Lithuania and Hungary, will allow for stereophonic transmission, and will also allow the radio programs for Tashkent and Moscow to be carried. And here work for preparing for transmission of local television programs is being carried out. In the largest center of the country [word indistinct] technical staff. The group will consist of three journalists who have studied in Moscow and Tashkent. The TV programs are going to be transmitted in Uzbek, Tajik, and Russian.

First Muslim Newspaper Appears in Tashkent

LD1206222690 Tashkent PRAVDA VOSTOKA in Russian 24 May 90 p4

[Article by V. Mizhiritskiy]

[Excerpts] The first issue of the newspaper ISLAM NURI [THE LIGHT OF ISLAM], organ of the Spiritual Directorate of the Muslims of Central Asia, came out in Tashkent. This is, so far, the only Islamic newspaper in the Soviet Union, published in Uzbek in two forms—in arabic alphabet and in Cyrillic, with a circulation of 40,000 copies.

ISLAM NUR chief editor Mukhammad Sharif Dzhumanov: The coming out of our newspaper is the result of the changes taking place in the country and in the republic.

The religious life of the Muslims is increasingly flooded by important events. In Uzbekistan alone, in one year, for example, the number of mosques has increased two-and-a-half times. The state has returned a whole series of architectural monuments of Islam to the Spiritual Directorate of the Muslims; restoration work is already taking place on them. Today greater attention in families is being given to the religious upbringing of children. In the republic a program for the revival of national culture, the basis of which are the values of Islamic civilization, has been adopted and is being implemented. Under these conditions, the journal MUSLIMS OF THE SOVIET EAST, which comes out once a year, already cannot keep up with events.

[PRAVDA VOSTOKA] What aims does the newspaper place before itself?

[Dzhumanov] We will explain the conditions of religious studies, the meaning and norms of ceremonies and rituals, publish the ayetes [readings from the Koran], khadysiy—the teachings on the deeds and sayings of the Prophet Muhammad, etc. The editorial staff has the task of fighting superstitions, and promoting the purity of the religion. We will also fight for the observation of the rights of believers. Soviet Muslims will also receive up-to-date information on the life of their brothers in the faith abroad.

[PRAVDA VOSTOKA] What stance will the newspaper take with respect to the question of interethnic relations?

[Dzhumanov] Our stance is nationwide peace, patience, respect for the rights and values of peoples of all nationalities and religious beliefs. [passage omitted]

ISLAM NURI will be published twice a month.